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AS BRITAIN VOTES, FINAL POLLS SHOW LABOUR HOLDING ONTO ITS LEAD

Gerry Penny/Agence France-Presse

The Labour leader, Tony Blair, kissing his daughter after voting in his Sedgefield constituency Thursday.

Blair's Popularity Threatens To End Tories' 18-Year Rule

By Erik Ipsen
International Herald Tribune

LONDON — British voters turned out in heavy numbers under warm, sunny skies Thursday in what pollsters, pundits and politicians alike predicted right up to the end would most likely prove a watershed election for the Labour Party, ending 18 years of Conservative rule and handing the keys to No. 10 Downing Street to Tony Blair.

Polls in Thursday's papers showed Labour holding on firmly to most of the huge lead that it has enjoyed since the campaign began six weeks ago. Those election eve polls gave Labour a lead of anywhere from 10 to 22 percentage points, holding out the strong promise of Labour's first victory since 1974, a year when Mr. Blair, the 43-year-old party leader, was still a student at Oxford University, and many of those casting their ballots Thursday had yet to be born.

Experts say that even a lead at the lower end of the predicted range would mark a remarkable reversal of the Tories' 8 percentage point lead in the last election, and would restore Labour to power with a hefty parliamentary majority of more than 100 seats in the 659 seat Commons.

For the party that saw Britain through the Falklands War and through such trend-setting transformations as the sell-off of state assets ranging from its phone company to its rail network, such a showing would mark an ignominious end.

According to many, it would also mark a largely self-inflicted one for a party now bitterly at war with itself over such issues as Britain's place in a rapidly unifying Europe, where national currencies and even sovereignty are on the wane.

As Prime Minister John Major and his wife, Norma, cast their ballots Thursday morning in Mr. Major's Huntingdon constituency, north of London, the prime minister held on to his official optimism. "I'm feeling entirely confident and very relaxed," he said.

Back in London, however, reports of plot and counterplot by party heavyweights as they maneuver to wrest the leadership from Mr. Major's hands as soon as possible after the anticipated defeat, have all but drowned out campaign news for days.

Some senior Tories are even said to be turning their sights to lusher pastures. The Times of London carried a front page report Thursday suggesting that Michael Heseltine, the deputy prime minister, had tentatively smiled upon offers to make him the chairman of GEC, one of Britain's largest industrial firms.

For Labour, the sworn enemy of much of the 44-day campaign has been nothing scarier than the threat of a serious bout of complacency. With a commanding lead in the polls that surprised just about everyone by wilting only slightly even in the heat of the campaign, Mr. Blair was until the last warning his troops and the nation against taking victory for granted.

On the eve of the election, he described as rubbish the very polls that insisted that come Friday he would be picking up his mail at Downing Street.

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Lynne Sladky/The Associated Press

Prime Minister John Major enjoying a beer outside a pub in his constituency of Huntingdon on Thursday.

EU and an Angry Iran Turn Up War of Words

Standoff Over Terror Ruling Is Worsening

By Tom Buerkle
International Herald Tribune

BRUSSELS — The European Union engaged in a new round of diplomatic retaliations with Iran on Thursday, urging its members not to send their envoys back to Tehran after the Iranian government moved to block the return of the German and Danish ambassadors.

The worsening diplomatic standoff, backed up by harsh verbal exchanges between Tehran and some EU capitals, dealt a major blow to European attempts to contain the damage to relations caused by a German court ruling that Iran's leaders were responsible for the 1992 murder in Berlin of three exiled dissidents and their translator.

The moves on both sides left Europe veering toward the sort of isolation that the United States has advocated for Iran, but which most European governments have rejected as bad in principle and harmful to Europe's economic interests.

In the Netherlands, which holds the rotating EU presidency, officials said the government would discuss further retaliatory measures coming days, possibly including economic sanctions, with the 14 other EU states.

The German foreign minister, Klaus Kinkel, praised the demonstration of support from his EU partners. "We will not impose our ambassadors on Tehran," Mr. Kinkel said Thursday in Bucharest, where he was visiting. "We Germans won't let ourselves be blackmailed or divided."

On Tuesday, EU foreign ministers agreed to suspend official ministerial visits to Iran and to keep on hold Europe's so-called critical dialogue with Tehran. But insisting on the need to maintain some channels of communication with the Iranian government, the ministers also agreed to return ambassadors to Tehran; they were recalled immediately after the German court ruling on April 10.

Iran responded harshly. Foreign Minister Ali Akbar Velayati said Wednesday that his government would not welcome the return of ambassadors from Germany and Denmark, two countries that had led the campaign for EU diplomatic sanctions.

"If they never return to Iran, we will not be sad and may even be happier," Mr. Velayati said. "We have no need

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Mishga Japaridze/The Associated Press

SLOW GOING ON NATO CHARTER — Madeleine Albright with an unidentified Russian official in Moscow, where she held three hours of talks with Yevgeni Primakov. Little progress was reported. Page 6.

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Bosnian Orphans Go to Uncertainty

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Seoul Seizes an American as a Spy

Mike Royko Dies at 64

Mike Royko, 64, whose cantankerous newspaper column seemed as much a part of Chicago as the wind, died Tuesday at a hospital. Page 2.

AGENDA

Confusion Reigns For Zaire Meeting

President Mobutu Sese Seko of Zaire and the rebel leader, Laurent Kabila, prepared Thursday for a face-to-face meeting, despite confusion over the timing of their talks.

Marshal Mobutu's camp said the talks would focus on a peaceful transition of power, with elections open to all, while Mr. Kabila insisted that the strongman must step aside.

But Marshal Mobutu did not depart Thursday for the talks, as scheduled. No explanation was offered. Page 8.

Palestinians Soften Stand on Peace Talks

RAMALLAH, Israeli-Occupied West Bank (AP) — Yasser Arafat's spokesman said Thursday that peace talks could resume even if Israel does not freeze its housing in East Jerusalem. The apparent softening of the Palestinian position was announced by Marwan Kanafani in Ramallah.

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The IHT on-line http://www.iht.com

Clinton Gets Chinese Vow On Colony

But a Wary Congress Puts Beijing on Notice

By Steven Erlanger
New York Times Service

WASHINGTON — President Bill Clinton has pronounced himself "quite satisfied" with the assurances on the future of Hong Kong he received from the Chinese foreign minister, Qian Qichen, but said he was waiting to see if Beijing's words matched its actions.

The speaker of the House, Newt Gingrich, warned this week that China's favorable trading status depended upon how Beijing handled the British colony's transition to Chinese rule.

Clinton administration officials have repeatedly said that they regard the way China manages its reassertion of sovereignty over Hong Kong on July 1 as an "important benchmark" for the larger U.S.-China relationship.

But for a widening coalition in Congress, the transition is seen as a litmus test for the entire relationship with Beijing and a way to hold Mr. Clinton's feet to the fire.

Mr. Gingrich said in a speech Wednesday that if Beijing did not live up to its commitments to preserve democracy, human rights and a market economy in Hong Kong, "there would be serious long-term damage to our relations" and to China's relations with the rest of the world.

On the other hand, he said, "if Beijing handles the transition well, it will substantially brighten its future relations with the United States."

Mr. Gingrich said that he supported legislation to renew China's most-favored-nation trading status for only three to six months. That would allow Congress to monitor the transition in Hong Kong and debate renewal again in September or December.

Under current legislation, the president must certify annually that China deserves to retain its low-tariff trading status with the United States. Congress then has 60 days to pass a law overturning his certification and then to override his veto, should that be necessary. If all goes well with Hong Kong, administration officials do not believe Mr. Clinton will need to veto this year.

Mr. Qian spent three days in Washington meeting administration officials

China's U.S. trade privileges are more crucial than ever. Page 19.

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Abuse at 35,000 Feet: Airlines Take Aim at Rowdy Passengers

By Edwin McDowell
New York Times Service

NEW YORK — On a crowded flight from Chicago to Las Vegas last year, Gail Scott, an America West Airlines flight attendant, was punched and pushed to the floor by a female passenger who became irate when told there were no extra sandwiches.

While the passenger was sentenced to two years' probation and 200 hours of community service, Ms. Scott, an 11-year veteran of the once-friendly skies, still carries psychological scars from the assault.

"It's gotten so you're almost afraid to ask passengers to raise their seat backs, or not smoke in the lavatories, for fear of what might happen," Ms. Scott said.

What might happen, increasingly, does happen. Airlines report a surge of disruptive behavior in recent months by passengers herded into cramped seats, lubricated with too many drinks and denied the freedom to smoke. They curse or spit on flight attendants, fling food trays and sometimes strike them. On occasion, they even attack pilots.

While such violence is far more dangerous in the air because of the potential for causing crashes, it is even more common on the ground as travelers explode in rage over delayed flights or missing luggage. A passenger who missed a connection at O'Hare International Airport in Chicago two years ago hurled a suitcase at Karen Brennan, a customer service director for United Airlines — who was eight months pregnant.

"He missed," said John Brennan, her husband. "So the only thing she could do, and did do, was bar him from flying on United from O'Hare." Mr. Brennan, also a United customer service director, has also been cursed and threatened, and more than once has been grabbed by late-arriving passengers demanding that he "do something" to bring a departing airplane back to the gate.

So serious has the problem become that the Air Line Pilots Association organized a meeting Wednesday in Washington — the International Conference on Disruptive Airline Passengers — to

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More Evidence of Healthy U.S. Growth

Spending by Consumers Increased in March

Compiled by Our Staff From Dispatches

WASHINGTON — The government said Thursday that U.S. consumers earned and spent more in March than in February, more evidence of strong growth to follow up its report Wednesday that the economy grew at its fastest pace in nine years in the first quarter.

The Commerce Department said U.S. incomes totaled $6.75 trillion at a seasonally adjusted annual rate, up 0.6 percent from $6.71 trillion in February. At the same time, spending totaled $5.37 trillion, up 0.5 percent from $5.35 trillion a month earlier.

Consumer spending makes up about two-thirds of U.S. economic activity. A surge in spending helped propel the economy to a 5.6 percent annualized growth rate in the first quarter.

"Consumers have jobs, incomes and confidence," Everett Ehrlich, the undersecretary of commerce, said.

The strong data are likely to cause policymakers at the Federal Reserve Board to grow concerned about inflationary pressures. Indeed, in announcing their decision to raise the overnight bank lending rate by a quarter-point, to 5.50 percent, on March 25, central bankers released a statement citing

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The Dollar

New York	Thursday @ 4 P.M.	previous close
DM	1.7225	1.7305
Pound	1.6227	1.6242
Yen	126.55	127.115
FF	5.8071	5.8348

The Dow

	Thursday close	previous close
-32.51	6976.48	7008.99

S&P 500

change	Thursday @ 4 P.M.	previous close
-3.31	798.03	801.34

U.S. Nearing Accord On Balanced Budget

White House and Republican negotiators were apparently on the verge of agreement Thursday on a plan to balance the federal budget by 2002, a goal the two sides have wrangled over for years.

Some Republicans expressed confidence that a deal was about to be sealed. But the White House spokesman, Michael McCurry, said that while President Bill Clinton was encouraged, there was no deal yet. He said that talks could extend into Friday. Page 3.

Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,800 CFA	Qatar	10.00 Rials
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 PTAS
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dirh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

Biotechnology's Hope: Palatable Replacements for Chemotherapy

By Lawrence M. Fisher
New York Times Service

NEW YORK — The biotechnology industry is poised to deliver a host of cancer drugs in the next two to three years. Some of them promise to extend lives — or at least make treatment more bearable than the current practices of chemotherapy and radiation.

More than 30 such drugs are in the final phase of clinical trials required for U.S. Food and Drug Administration approval, more than ever before.

By the end of the year, oncologists could have in their arsenals a new nontoxic drug for the treatment of non-Hodgkin's lymphoma, a cancer of the immune system. Next year, a therapeutic vaccine for malignant melanoma that is as effective as chemotherapy but has none of its side effects could reach the market, as could effective drugs for metastatic breast cancer and inoperable brain cancers.

A study of Norwegian women hints that exercise protects against breast cancer. Page 2.

If the biotechnology companies are as successful as they expect to be, the end of the decade should see many more new therapies for cancers of the breast, prostate, lung, colon, liver, ovary, pancreas and kidney, among others.

Perhaps the biggest gain in the new therapies is that, unlike chemotherapy drugs, their side effects are few and mild. Because they are so well tolerated, the drugs can be prescribed in large doses that are more likely to have an effect, and they can be taken for many years.

As with new drugs called protease inhibitors that suppress the virus that causes acquired immune deficiency syndrome, people are not so much talking about a cure — though some cancers may be curable — as about lengthening lives. People will still die with cancer, but they will die less often of cancer.

Unlike chemotherapies, which are chemically based, these new drugs are biological, based on naturally occurring proteins or genetic material. And where chemotherapies kill a broad range of rapidly multiplying cells, including some necessary for good health, the new drugs are much more specific in their attacks.

Biotechnology-industry executives say they are reaping the benefits of a greater understanding of the genetic and molecular pathways of cancer, advances in the production of novel therapeutic agents and a liberalization of regulatory policy at the Food and Drug Administration that eases the path to approval of new drugs for life-threatening diseases.

This fast-track approval process has been a

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Back to Sarajevo / **Past Is Prologue**

Bosnian Orphans Return To Very Uncertain Future

By Alan Cowell
New York Times Service

SARAJEVO, Bosnia-Herzegovina — Dragana Seferovic tells her story in the sort of jumbled haste that 7-year-olds are prone to, full of disjointed images and leaps in time. "My mother was shot," she said.

"She was all red. So I had only a daddy."

In other words, at the moment she found herself abandoned, her father could run fast, but her mother could not. So her mother was shot in what she called Sarajevo's "little war" and now she has only a father, whom she does not know.

But she was 2 or younger at the time, so no one can be sure what parts of this story are true. It may, in fact, be only a version of reality designed to make sense of a short life that has been incomprehensible so far and will probably remain so.

Dragana was one of a group of orphanage children bundled out of Sarajevo under sniper fire that killed two of the children in August 1992, to take refuge in Germany.

Just over three weeks ago, under pressure from the Bosnian authorities, she was one of 30 children five years or older who reversed that journey, returning to a land so ruined that, in some parts of this town, shell-struck homes stand like rows of black teeth in bad gums.

Now they are back at the Bjelave orphanage, from which they were rescued, but there are doubts, even here, that this latest wrenching change in their lives will help them.

When the children left Sarajevo, some Bosnian officials protested that removing them to a foreign land, however safe, was wrong — depriving the land of its children, and the children of their connection to the land. Now, some people who are looking after them whisper that they were better off in Germany.

So their plight seems, like so many things here, to be another untidy loose end of a drama that many outside Bosnia prefer to forget.

At the orphanage one day recently, in an unfurnished reception area, five children met with the mothers who left them in the orphanage before the war. The hugs were close, tight as koalas, but some of the mothers had been judged mentally unfit by social workers, so there was no guarantee that they would be permanently reunited with offspring they once abandoned.

"In Germany they had a real home," said a West European volunteer worker with close knowledge of how the children are looked after.

"This is an institution. There is no instruction. They have no personal possessions. There's no routine. Their lives here are a negation of everything childhood should be."

Like others fearful of offending the orphanage's prickly management, the volunteer agreed to speak in return for anonymity.

During the war, rescues of children by Western countries made spectacular, feel-good headlines, as infants were spirited to safety in Italy, Germany, Switzerland and elsewhere. Their homecomings, though, are filled with much grittier imponderables: Will they have schooling, beds, toys like they are used to? Will they have a life?

PART of the dispute about the kind of life the children can expect here stems from Bosnia's poverty and distress after a war that left it ethnically divided, its population depleted by hundreds of thousands of refugees, its reconstruction hostage to a shattered economy.

"To be realistic," said Ermin Terko, a social worker charged with the emotional welfare of the children here, "this orphanage needs a lot of money to keep going." That translates into, among other things, a shortage of trained staff.

But part of it, too, lies in what Rune Stuvland, an official of Unicef, the United Nations' children's agency, termed "different standards than in Western Europe or the United States" concerning the care of children. "Among institutions in Bosnia-Herzegovina," he said of the Bjelave orphanage, "this is not the worst place for a child to be."

The saga of Dragana Seferovic and the others here began in August 1992, when a rescue plan by German politicians from the East German state of Saxony-Anhalt immediately and tragically ran into trouble. Two of the children were killed in sniper fire and nine were abducted by Bosnian Serbs as their bus was driven through an area under Bosnian Serb control.

Fehim Demir, Agence France-Presse

After five years in Germany, 30 children have returned to a Sarajevo orphanage. 'Among institutions in Bosnia-Herzegovina, this is not the worst place for a child to be.'

The evacuation was criticized in Germany as grandstanding by the politicians who had arranged it. Here, UN officials said it was "criminal negligence" to take the children unescorted in an unmarked bus through Sarajevo's notorious "Sniper Alley" at exactly the time the Bosnian Serb snipers usually started opening fire.

By the time the rest arrived in Germany, said Rosemarie Franke, director of one of three East German orphanages where the children were finally housed, they were "totally exhausted and very disturbed."

Then, though, began a stay of more than four years where they lived in small groups, accompanied by three women from the former Yugoslavia who spoke their language and looked out for them.

From 1994 onward, Bosnian authorities started requesting the children's return. German officials argued that facilities at the Bosnian orphanage were inadequate. The previous building has now been replaced by a modern building built with British aid, but in October German officials secured another delay, saying that the children should not have to endure a Balkan winter right after their return. Earlier this year, though, they agreed to let the children go.

"When they first learned they were to return, they thought Sarajevo was still at war and they were frightened," said a health worker close to one group of children. The worker requested anonymity. "In the end, they were just told they were going on holiday.

"Now they are told: You are too small to go back," the worker said. "You don't have a passport or a job; but when you're older, you'll be able to choose. But most of them will never leave this orphanage."

MRS. FRANKE, in Germany, said, "When they realize they are staying forever, there'll be some tears."

That is not the only disappointment waiting to ambush them.

Throughout their stay in Germany, said Mr. Terko, the social worker, the children were told they had at least one parent. Few of those parents have come to claim their offspring, who were abandoned not because of Bosnia's war but because of broken marriages, teenage pregnancy or other family problems.

The children now live differently from the way they did in Germany, according to people who look after them. They sleep in dormitory bunk-beds, not individual beds in their own bedrooms. They are housed in an institution of 107 inmates aged from infancy to 18, not in the smaller places in Germany that go by the name "Kinderheim" — children's home. Those who studied in Germany no longer go to school. In the past, they were in small groups, but now just one adult looks after 23 of them for 12 hours a day.

"There's just no time anymore just to cuddle them," said a woman familiar with their lives in Germany and Bosnia.

The children's return has raised other issues, too, notably whether children should be removed from war zones. At the Unicef office here, Mr. Stuvland said his organization believes that, unless their lives are directly threatened, children should stay put. "The dilemma is: What are you going to do with them when things get better?" he said.

Azem Mujan, a Bosnian government official dealing with refugees, said: "We were cheated into believing this was for the best when it wasn't. These children have permanent holes in their identity. They never know who they are or where they come from."

Other Bosnian officials said the children should never have been evacuated. "These children belong to Bosnia," said Amir Seric, the director of the Bjelave orphanage, which was hit eight times by mortar fire during the war. "This is the best place for them."

Mr. Stuvland said there were now some 3,000 children living without parents in foster homes or orphanages in Bosnia. Mr. Mujan said another 3,000 Bosnian orphans lived in Croatia and Serbia.

Indeed, the children's return from Germany is perceived by officials here as the proper thing.

"The fact is that these children had another homeland. But the real feeling of identity is this country," said Mr. Terko, the social worker. "They can only feel they really belong in this country."

As she told her story, by contrast, Dragana spoke several times of "going home." A reporter asked her where home was. "The Heim," she said, meaning the children's home in Germany.

Mike Royko, 64, Chicago Columnist, Is Dead

By Don Terry
New York Times Service

CHICAGO — Mike Royko, 64, the increasingly cantankerous voice for this city's little guys and working stiffs, whose newspaper column seemed as much a part of Chicago as the wind, died Tuesday at Northwestern Memorial Hospital.

Mr. Royko collapsed in his home in suburban Winnetka on April 22 and underwent surgery last week for an aneurysm, a weakening or rupturing of a blood vessel.

For nearly 30 years, every young journalist who ever set foot in a Chicago newsroom wanted to be like Mr. Royko. He had a tough skin and a generous heart as a columnist, and he won almost as many awards — including a Pulitzer Prize for commentary in 1972 — as a Chicago election has dead voters.

One morning, he might be blasting a bumbling politician, the next "the rich, smoke-belching industrial fat cats" who he said were threatening to turn Chicago's lake front into a wasteland with pollution, overdevelopment and greed.

In his column of Sept. 23, 1981, Mr. Royko sought to explain President Ronald Reagan's policies of "hacking away" at federal programs for the poor "while spending more and more on the military."

"Contrary to popular belief," Mr. Royko wrote, "it's much wiser to take money from the poor than the rich. Reagan's approach will achieve one of the basic goals of the conservative: Things remain basically the same. The rich stay rich and the poor stay poor, or even a little poorer."

He took on such people and subjects five days a week, decade after decade for paper after paper. When he reluctantly cut back to writing four columns a week in 1992, he saw it as a sign of weakness.

"He always doubted himself, but that's what drove him," said James Warren, a friend and colleague at The Chicago Tribune, where Mr. Royko wrote his column, syndicated in about 800 papers across the nation, since 1984.

Mr. Royko loved politicians; they made such easy targets and one helped make him nationally famous: Mayor Richard Daley was the subject of Mr. Royko's best-selling book "Boss," published in 1971.

Even some of his targets say he was fair "He was an equal opportunity shot taker," said the Reverend Jesse Jackson. Mr. Royko dubbed Mr. Jackson "Jesse Jetstream" because he thought he moved from crisis to crisis too quickly.

Mr. Jackson recalled one column, written in 1972 when he was campaigning on the West Coast on behalf of Senator George McGovern's bid for the White House. He was preaching that every vote counted. But on election eve, rather than take a red-eye flight back to Chicago and cast his ballot, Mr. Jackson decided to stay out West.

"It was contradictory to what I had been saying," Mr. Jackson recalled, with a chuckle. "Somehow Royko found out about it, and opened up with both barrels. I didn't like it, but I haven't missed a vote since."

A recurring character in Royko's columns was an alter ego named Slats Grobnik. Slats took the working-class perspective in conversation with the columnist about the issue at hand, from how to age gracefully to sending volunteer troops to foreign hot spots (said Slats: "See, what made the draft so wonderful was that when it was run on the legit — until the Vietnam War — it gave everybody the same opportunity. To get killed.").

But Mr. Royko didn't write for decades without being criticized. He offended many Hispanic people when he satirized the anti-immigration views of Pat Buchanan during the commentator's run for president. That prompted an anti-Mike Royko rally.

And he upset many gay men and lesbians and police officers a few years ago when he was arrested for drunken driving and insulted the officer, using a derogatory term for homosexuals.

Critics of Mr. Royko said the two incidents were proof of what they said was his increasingly conservative views.

The Associated Press

Mike Royko, an "equal opportunity shot taker" in columns.

Lord Taylor of Gosforth, Critic of Justice System, Dies

By Eric Pace
New York Times Service

Lord Taylor of Gosforth, 66, a former Lord Chief Justice of England who was a critic of the British criminal-justice system, died Monday of cancer at his home in Guildford, England.

As Lord Chief Justice from 1992 until he retired in 1996 in ill health, Lord Taylor presided over the Court of Appeal, Britain's second-highest court, after the House of Lords. He was originally Peter Murray Taylor, was knighted in 1980 and was made a life peer — a baron — in 1992.

His paternal grandfather was a tailor named Teiger who was given the surname Taylor, the family story goes, by a British immigration officer when he arrived from Vilnius, Lithuania. Lord Taylor was born in Newcastle-on-Tyne, in northern England, to Herman Louis Taylor, a doctor, and the former Raie Helena Shockett. He grew up in Newcastle, studied at Cambridge, was called to the bar in 1954 and became a prominent prosecutor.

He became a Court of Appeal judge in 1988 and wrote an influential report about the deaths of 95 Liverpool soccer fans after grandstands collapsed during a game in 1989. The report urged safety measures that then were widely implemented.

He used his seat in the House of Lords to criticize the criminal-justice system and the Conservative government's efforts to make major revisions in criminal law.

In 1996, he said: "In the last three years, almost everything has been changed or thrown overboard in the criminal justice system. When you are going to legislate, you should do it less hectically."

His wife, the former Irene Harris, died in 1995. His survivors include a son and three daughters.

Elliott Merrick, 91, Writer Of Books About Vermont

New York Times Service

Elliott Merrick, 91, a writer, editor, teacher, farmer and sailor who distilled his experiences into books about Labrador and northern Vermont, died April 22 at his home in Asheville, North Carolina.

His "Northern Nurse" (1942) was on national best-seller lists for months. His last novel, "Green Mountain Farm" (1948), a tale of farm life in northern Vermont, is still in print, as are "The Long Crossing and Other Labrador Stories" and his first book, "True North" (1933), a diary about living in Goose Bay, Labrador. He also wrote for magazines, including The New Yorker and Reader's Digest.

Peter Tali Coleman, 77, a native of American Samoa who was its first popularly elected governor, from 1978 to 1985, died Monday of liver cancer in Honolulu. He was a longtime resident of Pago Pago, the capital of American Samoa. He is survived by his wife and 12 children.

Ann Petry, 88, who took a part of Harlem and brought it disturbingly to life in her 1946 novel, "The Street," died Monday at a convalescent center near her home in Old Saybrook, Connecticut.

Exercise Might Lower Risk of Breast Cancer

By Gina Kolata
New York Times Service

NEW YORK — A study of more than 25,000 Norwegian women suggests that regular exercise protects against breast cancer.

Compared with sedentary women, those who exercised at least four hours a week had a 37 percent lower risk of developing the disease, and the more women exercised, the less likely they were to get breast cancer, the investigators found.

The study followed more than a dozen smaller studies that found a similar effect, none of which, taken alone, was conclusive. So, with the weight of other evidence pointing in the same direction, several leading researchers said they would advise women to exercise even though the latest study was not definitive.

Although it is not known why exercise might affect the likelihood that a woman will develop breast cancer, one leading hypothesis is that it reduces a woman's exposure to estrogen. The idea is that the more estrogen a woman is exposed to, the greater her risk for breast cancer. That may be why, for example, women who begin menstruating late are at a lower risk, as are those who enter menopause early. Exercise, researchers have found, reduces the amount of estrogen pumped out by a woman's ovaries.

The study, which was published Thursday in The New England Journal of Medicine, comes at a time when women have become increasingly fatalistic about breast cancer. With the discovery of genetic mutations in a small minority of women that confer as much as a 90 percent risk of developing the disease, many women have decided that there is little that they can do: either they are destined to get breast cancer or they are not.

And researchers, searching for environmental or behavioral factors that may influence a woman's risk, have looked earlier and earlier in life, with some now saying that what matters is the hormonal environment before birth.

The exercise finding indicates that there is at least one thing women can do as adults that may substantially reduce their chance of developing breast cancer.

"It's provocative," said Dr. Regina Ziegler, an epidemiologist at the National Cancer Institute. "The exciting thing is that we're talking about a risk factor for breast cancer that can be modified during adult life."

TRAVEL UPDATE

Paris Rebuffs BA Move

PARIS (AP) — British Airways protested Thursday the refusal by French authorities to allow it to move its flights from Charles de Gaulle Airport to another Paris airport because of security concerns about Air Algerie.

BA, whose check-in counters abut those of Air Algerie, said it was "very disappointed by the decision" Wednesday night against its request to move about 60 daily flights to Orly Airport on Thursday.

British Airways has allowed only carry-on baggage on flights out of Charles de Gaulle since Air Algerie resumed flights there after a two-year suspension. BA is demanding tighter security for the Algerian airline, which is considered prone to terrorism from Islamic guerrilla groups in Algeria.

A Skyscraper Museum

NEW YORK (NYT) — New York opened the Skyscraper Museum, the world's first institution devoted to tall buildings, on Thursday. It is situated in a 1926 skyscraper in the middle of a district, Wall Street, whose manmade canyons were once considered an architectural wonder of the world.

The inaugural show, "Downtown New York: The Architecture of Business, the Business of Building," features 100 objects, including rental brochures and advertisements from the 1920s and '30s.

Among the objects is a plastic-and-wood model of the World Trade Center that survived the bombing in 1993 intact, even though it was located just 100 feet (30 meters) from ground zero.

Radar scopes monitoring air traffic failed briefly at Washington National Airport for the second time in six days. A Federal Aviation Administration spokeswoman said the problem created no safety-related incidents or delays. *(AP)*

JOHN VINOCUR
Senior Correspondent

EUROPE

Exquisite style, witty provocation, right on the inside track of European government.

If you missed his reporting in the IHT, look for it on our site on the World Wide Web:

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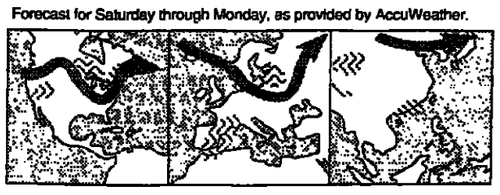
WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



North America
Another storm in the Midwest Saturday will head for New England and southeastern Canada by Monday. Unseasonably cold through the Midwest with rain and wet snow Saturday, but milder by Monday. This storm will spread soaking rain through the Ohio Valley and into New England.

Europe
Partly sunny and mild in London and Paris Saturday, but windy and turning cooler with showers by Monday. Madrid will remain dry and warm with sunshine, but northwestern Spain will have some showers. Cold, wet weather will spread from northern Europe into Poland and Belarus.

Asia
Sunny, dry and very warm over much of China, but rain will continue along the southern edge of the Tibetan Plateau. Another small area of rain will be on the southeast coast of China near Hong Kong. Dry and turning warmer in Beijing. Rain in Tokyo Saturday, then dry and warmer.

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	23/73	16/61 sh	24/75	17/62 pc
Amsterdam	22/71	12/53 pc	18/64	7/44 c
Ankara	11/52	6/43 r	13/55	0/32 r
Athens	13/55	9/48 c	17/62	11/52 pc
Barcelona	18/64	9/48 s	19/66	14/57 s
Belgrade	18/64	8/46 c	21/70	12/53 c
Berlin	21/70	10/50 c	18/64	4/39 c
Brussels	23/73	13/55 s	23/73	11/52 pc
Budapest	17/62	11/52 c	23/73	11/52 pc
Copenhagen	17/62	7/44 pc	11/52	-1/31 c
Costa Del Sol	26/79	15/59 c	24/75	16/61 pc
Dublin	18/64	11/52 pc	18/64	11/52 pc
Edinburgh	18/64	8/46 c	13/55	4/39 c
Florence	21/70	11/52 pc	26/79	14/57 s
Frankfurt	19/66	8/46 c	17/62	2/35 sh
Geneva	21/70	10/50 s	23/73	11/52 s
Helsinki	9/48	3/37 r	6/43	-2/28 c
Istanbul	13/55	6/43 c	16/61	9/48 pc
Kiev	17/62	8/46 pc	14/57	7/44 r
Las Palmas	23/73	18/64 s	25/77	21/70 s
Lisbon	22/71	16/61 c	22/71	17/62 pc
London	24/75	13/55 s	22/71	11/52 pc
Madrid	26/79	11/52 pc	24/75	12/53 pc
Majorca	17/62	11/52 s	18/64	15/59 s
Milan	23/73	13/55 pc	27/80	14/57 s
Moscow	12/53	7/44 c	13/55	7/44 sh
Munich	16/61	8/46 c	22/71	9/48 pc
Nice	20/68	14/57 s	23/73	15/59 s
Oslo	18/64	1/34 c	10/50	-3/27 c
Paris	23/73	12/53 s	24/75	11/55 s
Prague	18/64	9/48 c	21/70	6/43 c
Reykjavik	7/44	1/34 s	6/43	0/32 c
Riga	11/52	7/44 r	9/48	-2/29 r
Rome	18/64	8/46 pc	21/70	12/53 pc
St. Petersburg	10/50	6/46 r	9/48	1/34 r
Stockholm	15/59	4/39 sh	7/44	-4/25 c
Strasbourg	21/70	11/52 s	24/75	12/53 s
Tallinn	9/48	3/37 r	5/41	-1/31 c
Tbilisi	16/61	8/46 sh	19/66	12/53 r
Venice	19/66	12/53 c	24/75	15/59 pc
Vienna	17/62	11/52 c	23/73	11/52 pc
Warsaw	14/57	10/50 sh	15/59	-1/31 sh
Zurich	18/64	10/50 pc	22/71	11/52 s

Middle East

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Abu Dhabi	32/89	17/62 s	31/88	17/62 s
Beirut	22/71	16/61 pc	17/62	9/48 s
Cairo	30/86	17/62 s	28/79	12/53 pc
Damascus	29/84	13/55 s	23/73	9/48 pc
Jerusalem	26/79	12/55 s	18/64	8/46 sh
Luxor	38/100	18/08 pc	41/106	20/68 s
Riyadh	35/95	18/64 s	35/95	21/70 s

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Almaty	28/82	13/55 pc	27/80	10/50 pc
Bali	33/91	21/70 s	32/89	21/70 s
Bangkok	33/91	24/75 sh	32/89	24/75 s
Beijing	24/75	14/57 pc	26/79	10/50 pc
Bombay	31/88	22/71 pc	29/84	21/70 c
Calcutta	33/91	22/71 pc	34/93	23/73 pc
Chiang Mai	33/91	22/71 sh	33/91	22/71 c
Colombo	30/86	24/75 pc	29/84	23/73 pc
Hanoi	28/82	22/71 pc	28/82	21/70 pc
Ho Chi Minh	34/93	24/75 pc	32/89	24/75 sh
Hong Kong	26/79	21/70 pc	26/79	21/70 pc
Islamabad	34/93	13/55 pc	33/91	19/66 pc
Jakarta	30/86	23/73 c	29/84	23/73 pc
Karachi	32/89	23/73 pc	31/88	22/71 pc
K. Lumpur	32/89	23/73 pc	32/89	23/73 pc
K. Kinabalu	31/88	21/70 pc	31/88	21/70 pc
Manila	34/93	24/75 pc	32/89	23/73 r
New Delhi	35/97	22/71 pc	37/99	22/71 pc
Phnom Penh	33/91	23/73 pc	33/91	24/75 c
Phuket	33/91	24/75 sh	32/89	24/75 c
Rangoon	33/91	24/75 sh	32/89	24/75 c
Seoul	24/75	11/52 pc	26/79	14/57 pc
Shanghai	19/66	15/59 r	26/79	19/66 pc
Singapore	32/89	22/71 pc	31/88	21/70 pc
Taipei	28/82	20/68 pc	27/80	20/68 s
Tokyo	24/75	18/64 s	21/70	21/70 r
Vientiane	28/82	23/73 pc	27/80	21/70 pc

Africa

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algiers	21/70	7/44 s	24/75	12/53 s
Cape Town	17/62	7/44 pc	16/51	8/46 pc
Casablanca	24/75	17/62 c	24/75	17/62 pc
Harare	31/88	9/48 s	32/89	10/50 s
Lagos	29/84	23/73 pc	29/84	23/73 c
Nairobi	22/71	14/57 s	24/75	14/57 sh
Tunis	17/62	7/44 pc	19/66	10/50 pc

Latin America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Buenos Aires	20/68	5/39 s	17/62	12/53 s
Caracas	29/84	23/73 s	30/86	24/75 pc
Lima	25/77	18/64 pc	25/77	19/66 s
Mexico City	26/79	12/53 pc	26/79	11/52 pc
Rio de Janeiro	29/79	13/55 s	25/77	19/66 pc
Santiago	24/75	5/41 s	27/80	12/53 s

Oceania

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Auckland	18/64	10/50 s	17/62	10/50 s
Sydney	23/73	15/59 pc	22/71	18/64 r

North America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Anchorage	11/52	3/36 pc	12/53	3/37 pc
Atlanta	27/80	16/61 pc	24/75	11/52 c
Boston	19/66	7/44 s	17/62	2/46 sh
Chicago	13/55	7/44 r	13/55	1/34 sh
Dallas	27/80	12/53 t	23/73	11/52 pc
Denver	14/57	0/32 sh	17/62	4/39 pc
Detroit	17/62	7/44 sh	16/61	2/35 sh
Honolulu	29/84	21/70 pc	29/84	21/70 pc
Houston	30/86	18/64 pc	26/79	12/53 pc
Los Angeles	29/84	13/55 s	29/84	13/55 pc
Miami	31/88	23/73 pc	31/88	23/73 pc
Minneapolis	11/52	3/37 sh	13/55	1/34 pc
Montreal	8/43	-2/28 sh	13/55	6/43 pc
Nassau	29/84	23/73 pc	31/88	23/73 pc
New York	18/66	11/52 pc	20/68	12/53 sh
Orlando	31/88	20/68 s	30/86	18/64 pc
Phoenix	33/91	16/61 s	36/97	19/66 s
San Fran	23/73	12/53 s	21/70	11/52 pc
Seattle	16/61	9/48 pc	14/57	7/44 sh
Toronto	6/46	1/34 pc	15/59	0/32 r
Vancouver	13/55	7/44 r	12/53	2/35 sh
Washington	21/70	11/52 pc	23/73	13/55 t

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, fog, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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THE AMERICAS

Budget-Balancing Accord at Hand

Tax Cut to Be Offset by Slowing Growth in Medicare Spending

By Brian Knowlton
International Herald Tribune

WASHINGTON — White House and Republican negotiators were apparently on the verge of agreement Thursday on a plan to balance the federal budget by 2002, a goal the two sides have wrangled over for years.

Some Republicans expressed confidence that a deal was about to be sealed. But the White House spokesman, Michael McCurry, said that while President Bill Clinton was encouraged, there was no deal yet. He said that talks could extend into Friday.

Reports emerging Thursday pointed to a planned gross tax cut of $135 billion to $150 billion over five years.

That would be paid for in part by slowing growth in spending on Medicare, the big and politically sensitive program for the elderly, to save $115 billion.

There would apparently be a modest cut in cost-of-living increases for Social Security recipients.

The deal, as it was taking shape, would allow Mr. Clinton to preserve or restore some domestic programs he has championed. He sought $43 billion in additional spending to build schools and improve education, expand health care for poor children, and restore welfare benefits for legal immigrants.

But the size of tax cuts and the failure to cut defense spending more angered many liberal Democrats and appeared to threaten a split in the party.

Tax cuts would, of course, be greeted with relief by many voters. The proposal reportedly would provide tax credits for families with children and credits and deductions for college students.

It also would reduce taxes on capital gains, a change long sought by Republicans. Estate taxes would also be lowered.

But changes in Medicare and Social Security could face opposition from the powerful lobbies representing the nation's elderly.

A budget standoff between Mr. Clinton and congressional Republicans during the president's first term led to government shutdowns that most voters attributed to the Republicans and particularly the House speaker, Newt Gingrich, according to opinion polls.

Passage of this budget would be the most striking accomplishment of what has been a do-little Congress.

But it was not clear Thursday that the plan's backers could marshal the support they would need in Congress for passage.

There was immediate criticism, some of it withering, from some members of both parties.

"This isn't the way to legislate," said the Democrats' Senate leader, Tom Daschle of South Dakota, a liberal. "This isn't the way to make decisions, not only for the next year but for the next five years." He added, "I think it's just atrocious.'

Senator Phil Gramm, a conservative Republican and erstwhile presidential candidate, was equally blunt.

He said that while "the president gets what he wants — more government, and a lot of it," and Republicans get "a claim of a short-term tax cut," the American people were being cheated.

"In the end," Mr. Gramm said, "the American people will not get a balanced budget."

A 1990 deficit-reduction accord between President George Bush and Democratic leaders was scuttled in the House by conservative Republicans and liberal Democrats angered by its terms.

Some Republicans in this Congress have said Mr. Clinton's administration was being given too much leeway for new domestic spending without adequate assurances of tax cuts.

But some Democrats have criticized Mr. Clinton for giving up too much, cutting defense spending by too little and being too eager to reach a deal.

Republican proposals, Democratic critics charged, would only briefly balance the budget before causing the deficit to balloon in the years after 2002.

Mexico Rebuilds Anti-Drug Force

By Sam Dillon
New York Times Service

MEXICO CITY — Mexico has dismantled its main anti-drug force, which was disgraced in February when its director and many of its agents were discovered to be working for traffickers, and announced that it had been replaced by a new organization to be built from a nucleus of trusted agents.

The new agency will be headed by its current chief, and the 1,100 officers who worked for the old agency will be eligible, alongside new people, to apply for work in the reconstituted force.

But all of these applicants will be put through a battery of drug, polygraph and other tests to certify their trustworthiness before they are hired, Attorney General Jorge Madrazo Cuellar said. Such screening of agents is new.

The new agency, to be known as the Special Prosecutor's Office for Attention to Drug Crimes, will occupy the same Mexico City headquarters as the organization it will replace, which was known as the Institute for Combating Drugs.

The inauguration Wednesday of the Special Prosecutor's Office appeared to have been timed, at least in part, to give a sense of momentum in the war on drugs five days before President Bill Clinton is scheduled to arrive for his first state visit.

The Special Prosecutor's Office is part of a law enforcement shake-up that Mr. Madrazo has been carrying out, largely in secret, in recent weeks, in an effort to curtail the influence of traffickers and organized crime.

Another new agency whose formal creation was announced Wednesday, the Organized Crime Unit, is to bring together trusted investigators to combat not only drug smugglers but also money launderers and arms dealers.

Despite security precautions, however, questions have been raised about the ability of the new units to be effective. Two police investigators assigned to one of the recently organized specialized anti-drug units were kidnapped last month and found dead Friday in the trunk of a car in Mexico City. Authorities said the two officers had been pursuing a drug trafficker, Amado Carrillo Fuentes.

The U.S. ambassador, James Jones, said Wednesday that in response to a plea from Mexico for investigative help, two agents from the FBI arrived in Mexico City on Sunday to examine evidence relating to the murder of the Mexican officers. Mr. Jones said a hypothesis was that the two officers had been murdered by traffickers.

"They seem to have been honest cops who were doing their work and were found out and were killed," Mr. Jones said.

The two officers join a long list of agents murdered in recent drug violence. About 200 Mexican officers were killed in the year that ended Oct. 1, U.S. officials said.

The creation of the new office appears to be the most ambitious law enforcement shake-up here since 1993, when the Institute for Combating Drugs was created. But how much more effective the new anti-drug organizations will be remains to be seen.

When the government created the Institute for Combating Drugs in June 1993 with technical help from American drug agents, Mexican and U.S. officials hailed it as a great advance over other law enforcement organizations that had been corrupted by traffickers. On Wednesday, Mr. Madrazo said the institute was being abolished partly because of "the well-documented corruption in which public servants from that organization have fallen."

Ron Heflin/The Associated Press

ROADBLOCK — State police officers keeping a car from approaching a secessionist group that is holed up near Fort Davis, Texas.

Away From Politics

• **A military jury found a former drill sergeant guilty of raping six female trainees, sending a signal that sexual encounters between superiors and subordinates in the military will not be tolerated.** A jury of five men and one woman found Staff Sergeant Delmar Simpson guilty on 18 charges of rape. *(NYT)*

• **Scientists tinkering with a newly discovered gene have created a strapping breed of mouse with muscles that are two to three times bigger than those of normal mice.** The mighty mice may help researchers find treatments for muscular dystrophy, the scientists said, or for the gradual muscle wasting that accompanies cancer or AIDS. *(WP)*

• **The parents of JonBenet Ramsey met separately with investigators to discuss their daughter's death, four months after the 6-year-old girl was killed.** No arrest has been made in her death, and the authorities said last week that her parents were the focus of their investigation. *(AP)*

POLITICAL NOTES

Herman Confirmed As Labor Secretary

WASHINGTON — Alexis Herman won easy approval in the Senate to be secretary of labor after a three-month confirmation battle that ended only when President Bill Clinton made a last-minute concession to Republicans.

After all the controversy and delay surrounding Ms. Herman's nomination, she was swept into office Wednesday by a bipartisan vote of 85 to 13. For the administration, however, her passage came at a cost: The White House bowed to Republican demands that Mr. Clinton drop plans to issue an executive order that was designed to encourage organized labor on federal construction contracts.

Vice President Al Gore had announced the planned executive order in February, a move that was widely viewed in political circles as a bouquet to organized labor in exchange for its support in the 1996 election.

Senator Don Nickles of Oklahoma had led a Republican charge against the plan, threatening to block a vote on Ms. Herman unless the president dropped it. Democrats countered that they would bring Senate business to a standstill unless Republicans acted on the nomination.

Senate and White House negotiators finessed an end to the stalemate late Wednesday, in a deal that left both sides claiming victory. The White House said that instead of an executive order, it would issue a "presidential memorandum" to federal agencies that would have the same effect of encouraging union labor on large contracts.

But a spokesman for Mr. Nickles said that the senator had forced the administration to back down, a view that was shared by the U.S. Chamber of Commerce and other groups that had been protesting the planned executive order. *(WP)*

Reno Firm on Probe

WASHINGTON — Attorney General Janet Reno on Wednesday defended her refusal to seek an independent prosecutor to investigate campaign finance issues and said she would accept the consequences of her decision, telling her Republican critics, "If I do what I think is right and I don't have a job, too bad."

Republicans on the Senate Judiciary Committee accused her of misinterpreting the independent-counsel law in a case that they said could be credibly investigated only by an outside prosecutor. That, they said, was because the inquiry involved the White House, the Democratic National Committee and President Clinton's legal defense fund, which created serious conflicts of interest for the Justice Department.

But Ms. Reno stuck by her decision. Two weeks ago, she enunciated her views in a letter to the committee's chairman, Orrin Hatch of Utah, saying that the Justice Department's own investigation had uncovered no evidence against senior Clinton administration officials and no conflicts of interest for her department.

"We do not have any specific and credible evidence that any covered official violated the law," Ms. Reno said Wednesday, paraphrasing the language of the independent-counsel statute. "If you have any such information forward it to us and we will review it." *(NYT)*

FBI Brief on China

WASHINGTON — After complaints from the White House, the director of the Federal Bureau of Investigation, Louis Freeh, briefed President Clinton's national security adviser on the status of a Justice Department inquiry into possible attempts by China to influence U.S. elections.

Mr. Freeh and Attorney General Reno on Monday gave what administration officials called a general overview of the issue to the national security adviser, Samuel Berger, and his deputy, James Steinberg.

The previous week, according to sources, Mr. Berger called Ms. Reno to ask why she and Mr. Freeh had given a briefing to senior members of the Senate Select Committee on Intelligence but not offered a similar meeting to the White House. *(WP)*

Quote/Unquote

Senator Ted Stevens, Republican of Alaska and chairman of the Appropriations Committee, addressing Democrats as flood aid for North Dakota was tied up by bickering over an unrelated amendment to the $8.4 billion emergency relief bill: "If they will quit stomping their feet and pouting and threatening, then we'll sit down and work this out." *(NYT)*

Phone Industry Feels FBI Pressure on Wiretaps

By Jim McGee
Washington Post Service

WASHINGTON — The FBI is pressuring phone companies in the United States to install equipment in their new digital communications systems that will "significantly expand" the nature of electronic surveillance, according to a joint filing by privacy advocates and the telecommunications industry.

That assertion was made Wednesday in response to an FBI statement in March that a proposed industry standard for ensuring the use of wiretaps on digital systems "does not include all the functionality required to satisfy evidentiary needs dictated by law and the courts."

The two documents are the latest volleys in an escalating dispute between an industry that has historically been a valued partner of law enforcement, and the FBI, which views itself as an advocate for all federal agencies and police departments.

Congress passed the Communications Assistance for Law Enforcement Act of 1994 because the traditional methods of wiretapping would not work on the new digital phone systems. The law requires telecommunications companies to ensure that their systems accommodate lawful wiretaps, but left it up to the industry to come up with a standard of surveillance capabilities.

The FBI has contributed to the standards-setting process by offering its own recommendations. Wary of other technology programs that have been mismanaged by the FBI, the appropriations committees put a hold on $100 million in FBI funding for implementing the statute until the FBI more clearly explained its intentions. Now, the House and Senate will have to sort out the conflicting claims.

In the meantime, the implementation of the important wiretap statute has fallen behind schedule. Industry officials said they know of no case in which the delay has prevented the use of a court-authorized wiretap.

But the passage of time has raised the financial stakes for the phone companies because they continue to install new switches that do not have the new surveillance capabilities. Many of those will have to be replaced or upgraded once there is agreement on requirements in the industry surveillance standard.

Thomas Wheeler, president of the Cellular Telecommunications Industry Association, said the industry has adopted the majority of the FBI's suggestions, but has balked at FBI recommendations that he said had become nonnegotiable demands.

"The frustration that we have had is that the efforts to resolve these issues have been rebuffed," said Mr. Wheeler.

Edward Allen, the FBI's section chief for electronic surveillance technology, said the agency had taken part in more than 300 meetings with the industry and had no reason to delay the process. "Stalling it is to the detriment of public safety and national security," he said.

Under the law, any party can appeal a provision of the industry standard to the Federal Communications Commission. Robert Litt, the deputy assistant attorney general of the Justice Department's Criminal Division, said it was appropriate for the FBI to press its case.

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AIRPORT AUTHORITY

EXPRESSIONS OF INTEREST
Vehicles and Equipment

The Airport Authority is responsible for constructing and operating Hong Kong's new airport at Chek Lap Kok. When the new airport opens in 1998 it will cater for an estimated 35 million passenger movements in its first year of operation.

The Authority invites expressions of interest from companies interested in tendering for the supply of the following vehicles and equipment, and will consider only organisations with a proven track record :–

Category	Item	Description
1	1.1	Runway / Road sweeper
	1.2	Mobile workshop
	1.3	Highway type bucket truck
	1.4	Wrecker (Recovery Vehicle)
	1.5	Portable light stand
2	2.1	Goods vehicle
3	3.1	Automobile (saloon car)
	3.2	Passenger mini bus
	3.3	Limousine
4	4.1	Electric bucket lift / aerial platform
	4.2	Electric cart

Interested parties are invited to express interest **on or before Thursday, 29 May 1997**, specifying the category of vehicles or equipment, in writing or by fax to :–

The Purchasing Controller
Airport Authority
25th Floor, Central Plaza,
18 Harbour Road, Wan Chai,
Hong Kong

Attn. : Mrs Jaime Cheng

Tel No. : (852) 2824 7677
Fax No. : (852) 2598 1332

Tender documents will be issued immediately upon receipt of the expression of interest. Tenders must be submitted in four (4) copies and placed in the Tender Box on the 25th Floor at the above address **not later than 12:00 noon (Hong Kong time) on Thursday, 26 June 1997.** Late tenders will not be accepted. The Authority is not bound to accept the lowest or any tender and reserves the right to accept all or any part of any tender.

香港機場管理局
AIRPORT AUTHORITY HONG KONG

Papua New Guinea's Sun-Soaked Terrorizers

By Seth Mydans
New York Times Service

PORT MORESBY, Papua New Guinea — Lonbun is a rascal. He has been one for most of his life, and now, at the age of 27, he says he will probably always be one.

This sun-drenched tropical city with its views of the pure blue Coral Sea is filled with rascals. That is the local name for the tough young criminals who have taken over the streets of the capital, terrorizing local and foreign residents.

Over the last decade, an influx of unemployed people, a faltering economy and the breakdown of many government services have contributed to an epidemic of assaults, burglaries, carjackings and gang rapes.

People live in a state of alert, checking to see who is behind them on the street and fortifying their homes with guards, walls and razor wire. There is a curfew from 10 P.M. until dawn, shutting off nightlife in this city of just under 300,000.

"It feels like lightning striking all around," a Western diplomat said. And, although no reliable crime statistics have been tallied, another diplomat advised, "The safest thing is to go inside and lock your door and stay there."

The alternative is to enjoy the country's beauty and the warmth of its people and accept the risks, said John Renaud, an Australian who teaches mathematics at the University of Papua New Guinea.

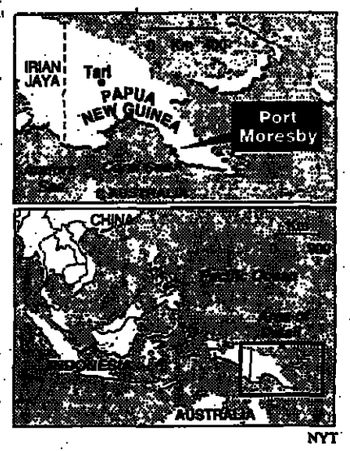
"I've been robbed a few times," he said. "I've had my head cut open. I've been stabbed once. I think I'm fairly average. One takes precautions and goes on with life."

A local newspaper columnist, Lucy Palmer, while chiding visitors for their fears, admitted, "I would be lying if I said I was never frightened here, or that the tension of living in Port Moresby — ever alert to danger or attack — does not make life exhausting."

These fears are caused by people like Lonbun, a leader of the "13 Casino" gang that includes 100 or more young men living in the Hohola area of the city, with its dirt paths and ramshackle houses.

He described his violent life on condition that only his gang nickname be used. Lonbun — literally "long bone" — means "Slim" in the common language here of Pidgin.

Lonbun is indeed lanky and slender, with a wisp of beard and an easy smile that reveals teeth and gums stained red from chewing betel nut, a mild stimulant. His specialties are armed robbery and carjacking, and he considers himself a professional, avoiding the gratuitous violence that is so common among the younger members, who are known as "up-and-comers."



NYT

"Normally for most of us it's a profession, it's a job," he said. Violence is used only when people resist. "For the young ones, it's just fun. It's like a game."

But Lonbun was an up-and-comer himself once. He was first arrested at 13, he said, for armed robbery and assault. "I robbed a foreigner and chopped his right hand off," he said. "If I want my demand to happen in a minute it should happen in a minute. It shouldn't take two minutes."

Lonbun spent two years in a juvenile detention house for that crime, but he said all his arrests since then had been dismissed for lack of evidence. He is careful not to commit crimes in his home settlement in Hohola, and with his wife and three children he is accepted as a member of the community.

Port Moresby was not always so dangerous, but a strain of violence does run through traditional society, where tribal conflicts have customarily been dealt with by arms and the violent "payback" is a cultural norm.

By tradition, paybacks can be aimed at any member of a rival's clan, making apparently random violence common. A recent domestic killing in the Southern Highlands town of Tari, for example, has set off a small war between two mountain tribes that has already claimed two victims.

"People here are hunting each other as they would for animals, or as if they are animals themselves," said the local police inspector, Frank Gamea. "They are just observing each other and once they find their enemy they will kill him."

Seth Mydans/The New York Times

Gangs of aimless young men such as these gathered on a street in Port Moresby, the Papuan capital, prey on both foreigners and local citizens.

Perhaps the most horrific aspect of the violence here is the prevalence of mass rape.

Women have traditionally held low status and have been traded as commodities in Papua New Guinea, and now they seem to have become an outlet for the frustrations and anger of aimless young men. When a small bus was held up on a rural road in early April, 10 women ranging in age from 15 to 21 — all members of a church group — were dragged into the bushes and raped, local papers reported.

Espionage Arrest in Seoul Baffles American Officials

Executive of U.S. Defense Contractor Is Held

By Kevin Sullivan
Washington Post Service

TOKYO — U.S. officials in Seoul said Thursday that they were puzzled by the case of an American businessman arrested on espionage charges by South Korean security agents.

Donald Ratcliffe, 62, an executive for a unit of the U.S. defense contractor Litton Industries Inc., was arrested Wednesday and charged with obtaining classified military documents related to South Korea's plans to buy AWACS airborne-surveillance technology.

"There doesn't seem to be any reason why he would be interested in that," a U.S. official said. The official said Litton had a "near monopoly" on sales of navigational-control and guidance systems for South Korean military aircraft.

"If they're enjoying that kind of a good business climate in South Korea, you wouldn't think they would need classified documents," the official said, noting that AWACS "wouldn't even be a major part of their business here."

The case is also unusual because Washington and Seoul are close military allies, sharing a wide range of military intelligence and equipment. There are 37,000 U.S. troops stationed in South Korea as a deterrent to threats from Communist North Korea.

Seoul's plans to spend billions of dollars over the next few years to beef up its aircraft, defense-missile systems and other military hardware are commonly known.

American military contractors still do a lucrative business in South Korea and stand to benefit from Seoul's increased military spending. But U.S. defense contractors are facing increasing competition for South Korea's business from European and Russian weapons suppliers.

The U.S. defense secretary, William Cohen, criticized Seoul on a recent visit there, saying the South Koreans should buy U.S. patriot missiles instead of a Russian-made anti-aircraft missile system it is also considering. That contract is, reportedly worth $1 billion, illustrating the high-stakes competition that U.S. suppliers now find themselves in against makers from other nations.

A Litton spokesman said Thursday that the company was not aware of any illegal activity by Mr. Ratcliffe, a retired military officer who has worked for Litton for 20 years.

U.S. officials in Tokyo said Mr. Ratcliffe had spent 18 years working for Litton in East Asia and was currently based in the Bangkok office of Litton Guidance and Controls Systems. Officials from the South Korean military and the Agency for National Security Planning, the domestic intelligence service, were questioning Mr. Ratcliffe at an undisclosed location Thursday.

Some U.S. officials have said that military purchasing plans might not necessarily be classified information in the United States. But that is what South Korea has charged Mr. Ratcliffe with obtaining, and he could face the death penalty if convicted of espionage.

South Korean media reports said that security officials would question Mr. Ratcliffe on whether he handed over military secrets to the U.S. government. American officials denied that the U.S. government was involved in any espionage by Mr. Ratcliffe.

South Korean media speculation that the United States might be spying on its close military ally in South Korea is not surprising. Many South Koreans felt deep anger and resentment last year when U.S. officials arrested a South Korean native, Robert Kim, and charged him with spying for Seoul.

Some in Seoul have suggested that Mr. Ratcliffe's arrest might be in retaliation for the arrest of Mr. Kim, a U.S. Navy computer specialist. He was accused of supplying the South Korean Embassy in Washington with classified documents and is awaiting trial.

A spokesman for the South Korean Foreign Ministry denied any connection between the Kim and Ratcliffe cases.

A South Korean Air Force officer, Lieutenant Colonel Kim Taek Joon, and five civilians were also arrested in connection with the Ratcliffe case. Authorities said the air force officer passed secret documents to Kwak Jae Jin, 47, a Korean-American who runs a trading company that buys and sells airplane components.

BRIEFLY

Political Violence Flares in Indonesia

JAKARTA — Fresh political violence has flared in the town of Pekalongan on Indonesia's main island of Java, where at least 18 persons were injured in fighting ahead of elections May 29, residents said Thursday.

They said that supporters of the governing Golkar party and the Muslim-oriented United Development Party clashed in the town on Wednesday and that troops had been called in to maintain order.

"The town is tense today and many shops are closed because the owners are afraid of fresh violence," a resident said.

The police in Pekalongan declined to comment. The town has been the site of clashes since March between supporters of the two parties.

Tensions have risen since the start last Sunday of the campaign for the elections, and there have been clashes between supporters of the two parties elsewhere in the country. *(Reuters)*

India Offers to End Rifts With Pakistan

NEW DELHI — India is ready to resolve all outstanding disputes with Pakistan, Prime Minister Inder Kumar Gujral said Thursday.

"India is committed to resolving the outstanding issues between the two countries through dialogue," he said. "But the sovereignty of India and the national interests of India are nonnegotiable," he continued in a television interview.

"Among other issues, trade relations will have to improve. The process had already begun."

Earlier Thursday he said he would meet with Prime Minister Mian Nawaz Sharif of Pakistan in an attempt to advance reconciliation. The two are scheduled to meet during a South Asian regional summit meeting in Maldives beginning May 12. *(AFP)*

Tokyo Reform Plan

TOKYO — An advisory panel to Prime Minister Ryutaro Hashimoto proposed Thursday to give him more power to cope with emergencies and to establish a post in charge of crisis management, officials said. The Administrative Reform Council set up by Mr. Hashimoto in November made the proposal in its interim report, showing ways to streamline bureaucracy and strengthen functions of the prime minister's office. *(AFP)*

Toru Yamanaka/Agence France-Presse

SHOWING THE FLAG — Japanese workers marching in Tokyo to celebrate May Day. About 2 million gathered at nationwide rallies.

Japan Holds Chinese

TOKYO — The Japanese police arrested 71 Chinese nationals Thursday on suspicion that they illegally entered the country through the southern island of Kyushu, officials said.

The Chinese were quoted as telling the police that they left northeastern China by boat late in April and arrived in Kumamoto Prefecture on the island Wednesday night.

The police found a truck carrying the Chinese in the town of Itsuwa in the western part of Kumamoto on Thursday morning.

They also arrested the truck driver, who was identified as Kazuya Tateishi, a 29-year-old Japanese, on suspicion of supporting the illegal entry, officials said.

The National Police Agency said that 692 foreigners had been arrested for trying to enter Japan illegally in the first two months of this year, with Chinese accounting for 84 percent of the total.

There were 679 arrests for all of 1996. *(AFP)*

Chinese Ships Stay Despite Manila Protest

The Associated Press

MANILA — Chinese ships have remained near islands claimed by the Philippines in the South China Sea despite protests by Manila, Defense Secretary Renato de Villa said Thursday.

On Wednesday, the Philippine government summoned China's ambassador and formally protested the entry of the Chinese ships into waters near two of the Spratly Islands that are claimed by the Philippines.

The Chinese ambassador, Guang Dengming, told officials in Manila that he was not aware of the ships' presence.

Foreign Secretary Domingo Siazon, attending a meeting in Thailand, said the presence of the Chinese ships, which he said were armed, was a "clear violation" of an agreement that "there should not be a militarization of the area."

Manila and Beijing have overlapping claims to the Spratlys, which are potentially rich in oil and natural gas. Six countries — Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam — claim all or part of the islands.

General de Villa said the latest aerial photos, taken Tuesday, showed that three ships had deck guns and that one was capable of carrying a helicopter.

He said that there were also several smaller vessels believed to be fishing boats.

"The ships that had been reported earlier are still there," he said. "If they were the usual fishing boats only, we don't say anything any more. But if there are armed ships in the area, then we are concerned about the matter."

The ships were first seen April 25 by Filipino troops on Kota Island, one of eight islands in the Spratlys claimed and occupied by the Philippines.

General de Villa said a hut-like structure also had been constructed on one of the reefs, similar to those constructed by the Chinese on Mischief Reef, which is also claimed by Manila, in 1995. That incident led to a flare-up of tension between Manila and Beijing.

General de Villa said Thursday that there were no plans to send more troops "as of today" to Kota and the seven other islands, but that the air force was conducting daily surveillance flights.

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THE WORLD'S DAILY NEWSPAPER

Exile in Hong Kong Urges Others to Flee

The Associated Press

HONG KONG — The leading Chinese dissident in Hong Kong says the others should leave because they risk being persecuted when China takes over the British colony July 1.

The dissident, Han Dongfang, said Thursday that political exiles from China might be arrested to intimidate democracy campaigners in Hong Kong and dissidents in China.

Mr. Han, 33, is a former railroad worker who set up an independent trade union in defiance of China's monopoly on organized labor. He was a high-profile figure at the 1989 democracy demonstrations in Tiananmen Square.

He spent 22 months in prison before being allowed to go to the United States for medical treatment. Beijing would not let him return, and he settled in Hong Kong in 1993.

Mr. Han said he would stay in Hong Kong after the change of sovereignty because he was here legally.

But others could be arrested under residency laws because they entered Hong Kong illegally, he said.

In February, Western governments were reported to have reached agreement to give asylum to an estimated 45 dissidents living in Hong Kong. Many of them are believed to have left since then.

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Herald Tribune
THE WORLD'S DAILY NEWSPAPER

CROSSWORD

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58 Stimulus that causes strain
60 Literally, empty hand
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DOWN
1 Miscellanea
2 1980 Shelley Duvall role
3 Chemistry class model
4 Norse underworld queen
5 Passionate
6 Over half of Israel
7 "Seinfeld" character
8 —— Ysidro, Calif.
9 Feller with Teller
10 Inferential word
11 Qualify
12 Eponymous Lord
13 It was azure-lidded, to Keats
15 Omission of all animal products from the diet
20 Rhone tributary
22 Julie ——, voice of Marge Simpson
24 Hold up
27 Single-named New Age musician
29 Be quiet, to a musician
30 Good egg's rank?
32 Certify, in a way
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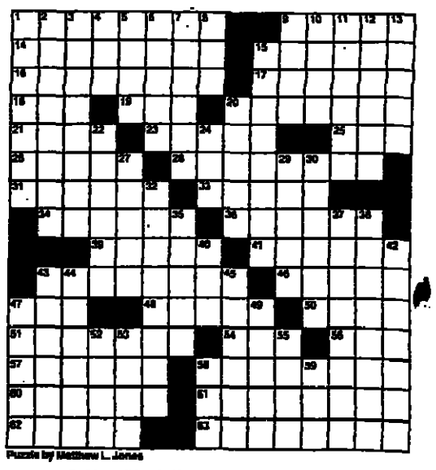
40 Bad-mouth
42 Fumes
43 Bit of bad luck
44 Gazing
45 Additional charge
47 Lizard with clingy toe pads
49 Arctic fur
52 Site for a race
53 Snags
55 Make judgments
56 Marie, e.g.: Abbr
59 Phys., but not phys. ed.


Puzzle by Matthew L. Jones

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Solution to Puzzle of April 30

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EUROPE

Moscow Trumpets Ties to the East, but Its Heart Belongs to the West

By Michael R. Gordon
New York Times Service

MOSCOW — When President Boris Yeltsin wants to play the nationalist card he simply rolls out the red carpet for the United States' most vexing rivals and bitter adversaries.

In recent weeks, Moscow has ostentatiously turned toward the East, inviting officials from China, India and Iran. Mr. Yeltsin has posed for the cameras hugging the Chinese president, Jiang Zemin, and Russian officials have boasted of fashioning a "multipolar world" in which the United States would no longer be the dominant player.

The Kremlin's goal is, in part, to tweak the United States, which many in the Russian foreign policy establishment resent for promoting the expansion of NATO and winning the Cold War.

But for all the symbolism, Russia's talk of a new strategic partnership with the East is more theater than substance. Even when they are not playing host to the American secretary of state, Madeleine Albright, who was here Thursday, Russia looks mostly to the West and its financial institutions, such as the International Monetary Fund and World Bank, for money, technology and acceptance.

NEWS ANALYSIS

That was underscored this week when Anatoli Chubais, first deputy prime minister and a top reformer, flew to Washington to seek the IMF's blessing — and financing — for economic reforms.

And despite its vocal opposition to NATO expansion, Moscow is still seeking an accommodation with the Western alliance. The focus of Mrs. Albright's visit was a proposed NATO-Russian security charter.

Though substantial differences remain, Moscow's calculation appears to be that the expansion of the North Atlantic Treaty Organization is inevitable and that the charter should be concluded and used to play up Russia's importance in world politics.

It was Mr. Yeltsin, not Western leaders, who urged that the charter be concluded and signed by Russian and NATO nations on May 27 — well in advance of the July meeting of NATO nations to invite East European nations that were once part of the old Soviet-led Warsaw Pact to begin the process of becoming members.

To be sure, the Yeltsin government has several motivations in turning to the East. Politically, the strategy enables Mr. Yeltsin to play to nationalist sentiments at home.

Yevgeni Primakov, the former intelligence chief and Middle East specialist who was appointed foreign minister before last year's presidential election, abandoned the pro-Western tone of his predecessor, Andrei Kozyrev. Addressing nostalgia for the days of Soviet power, Mr. Primakov emphasized Russia's relations with former Soviet republics and with Asian and Middle Eastern states.

Economics are another factor. China is a growing market for Russian arms.

India is also a weapons customer and a potential buyer for Russian nuclear technology. The United States has urged Moscow to drop its plans to sell two nuclear reactors to India, arguing that the sale would breach a 1992 agreement among nuclear suppliers. But Russia has defiantly insisted that it will proceed with the multibillion-dollar sale.

Iran, which is treated as a pariah by Washington, is also a market for Russian weapons and nuclear technology. To bolster its beleaguered nuclear establishment, Russia has agreed to sell Iran a nuclear power plant despite Western warnings that the project will help Tehran's program to develop nuclear weapons. But Moscow has been careful not to completely defy Washington. It has promised to turn off the weapons spigot to Iran once existing contracts for conventional weapons are filled.

Iraq is attractive to Russia because it has oil, which Russian companies want to help develop. Iraq also has substantial debts to Moscow, which will not be repaid unless international sanctions against Baghdad are lifted.

The Kremlin's turn toward the East reflects more general foreign policy considerations, as well. Russia no longer plays the global role the Soviet Union did, but it remains a regional power and the contacts with Asia enable Moscow to maintain some influence abroad.

As concerned as Washington is with Russian weapons sales to China and Iran, few in the West take Moscow's tactic of turning to the East too seriously.

"At various points, Soviet and Russian foreign policy have turned to the East," a senior Western diplomat said. "But these are relatively short-term phenomena. Russia realizes that its key interests require it to stay engaged with the West."

Albright-Primakov Talks Leave 'Open Question' on Timing of NATO Charter

By Michael Dobbs
Washington Post Service

MOSCOW — Secretary of State Madeleine Albright spent more than three hours Thursday discussing a proposed NATO-Russia charter with the Russian foreign minister, Yevgeni Primakov, but little progress was reported. American officials said it was an "open question" whether the negotiations could be wrapped up in time for a signing ceremony that has been tentatively scheduled for the end of this month.

The charter is the centerpiece of Western efforts to alleviate Russian fears about the planned expansion of the U.S.-led alliance to the former borders of the Soviet Union. While broad agreement has been reached on much of the document, including the creation of a consultative NATO-Russia council, negotiations have been bogged down for several weeks over Russian demands for explicit assurances that NATO expansion will pose no security threat to Russia.

At a press conference, both Mrs. Albright and Mr. Primakov said that talks would continue over the next few weeks to try to work out an agreement that could be signed in Paris on May 27 by Presidents Bill Clinton and Boris Yeltsin. But both ministers were also adamant that there were certain political limits beyond which they were not prepared to go in seeking a compromise.

"There are some outstanding issues that must be resolved before we can sign this document," Mr. Primakov said, apparently referring to Russian demands for legally binding language that would make it impossible for NATO to deploy nuclear weapons or station combat troops in countries close to the Russian border, such as Poland or Hungary.

The Russians are asking the North Atlantic Treaty Organization to spell out in much greater detail what was meant by a statement in December that the alliance had "no intention, no plan, and no reason" to deploy nuclear weapons on the territory of new member states. They want similar kinds of guarantees about a NATO statement on March 14 declaring that the alliance had no current plans to permanently station "substantial combat forces" in Eastern Europe.

Mrs. Albright's talks with Mr. Primakov were interrupted by a 20-minute telephone call from President Yeltsin. His press office later said that Mr. Yeltsin had urged the two foreign ministers to give "concrete form" to the understandings reached at a meeting in Helsinki on March 21 between him and President Clinton.

En route to Moscow, Mrs. Albright said the United States had "basically" reached its "bottom line" in negotiations with the Russians on the military aspects of NATO enlargement. Later, however, a senior member of her delegation said that Washington might agree to the inclusion of some additional language in the charter "explaining" or "clarifying" the two NATO communiqués.

"I think that neither side has yet said its final word," Mr. Primakov said, suggesting that he expects several more hard rounds of bargaining. He is scheduled to meet with the NATO secretary-general, Javier Solana Madariaga, in Luxembourg on May 6, and there is also talk of another meeting between him and Mrs. Albright.

U.S. officials said that the Russians were seeking to link the negotiations over the charter with talks in Vienna updating a 1990 treaty on conventional forces in Europe. Last month, Russia made a proposal in Vienna that would effectively impose rigid quotas on NATO's overall conventional troop holdings and make no allowances for the addition of new members. The Russian plan is fundamentally at odds with a NATO proposal in February that seeks to replace bloc-to-bloc quotas with "national" and "territorial" ones.

Swede Sentenced In Trans-Atlantic Telephone Attack

Compiled by Our Staff From Dispatches

GOTHENBURG, Sweden — A Swedish teenager who paralyzed U.S. telephone switchboards for months, prompting a global hunt by the FBI, has been fined the equivalent of $345 for harassment.

The prosecutor said he would have liked to try the 19-year-old for the more serious crime of sabotage but was unable to under Swedish law.

The self-styled "Demon Freaker," who was not identified, jammed switchboards in Florida last year by linking them to sex lines. He had cracked the codes of a company that serves Americans calling home from abroad, allowing him to call anywhere in the United States for free.

He made about 60,000 calls, running up 2 million kronor ($255,000) of phone bills for the U.S. company. He was able to dial into 11 Florida emergency-service systems on their confidential seven-digit numbers rather than the 911 number used to reach emergency services, tying up lines dedicated to emergency calls.

The FBI picked up his trace in February 1996 and contacted Sweden's computer crime unit, which tracked him through phone records. In addition to the fine, he was placed in a state-care institution. *(Reuters, AP)*

Christine Grunnet/Reuters

Prime Minister Alain Juppe of France, center, flanked by ministers and allies, waving lilies of the valley, *a traditional May Day flower, at a rally. Below, Mr. Le Pen speaking to the National Front in Paris.*

10,000 in Paris Cheer Le Pen Warning on Vote

By Charles Trueheart
Washington Post Service

PARIS — Nearly 10,000 flag-waving backers of France's extreme-right National Front party cheered the harshest anti-European oratory of the 10-day-old French election campaign at a boisterous May Day rally here Thursday.

Jean-Marie Le Pen, leader of the France-first, anti-immigrant National Front, urged his followers to reject President Jacques Chirac's call for a renewed mandate at the polls in four weeks to prepare the country for membership in a single European currency.

"Chirac is asking you to be accomplices to national suicide," Mr. Le Pen said in an open-air speech at the Place de l'Opera in central Paris.

"France is threatened with disappearance," he continued, "not in 100 years, not in 10 years, but by the end of the century," when the planned merger of European national currencies is scheduled to begin.

The snap legislative elections, with a first round May 25 and a second a week later, offer the National Front its latest opportunity to build on recent victories in four French cities by electing its first deputies to the National Assembly, the lower house of Parliament.

Current polls indicate that the National Front is not likely to win more than two or three seats out of the 577 at stake, but strong showings by its candidates could tip the balance against candidates of the governing center-right coalition parties in the second round of voting June 1.

In the presidential elections of 1995, Mr. Le Pen garnered 15 percent of the vote, and his party's growing support in economically depressed and immigrant-heavy regions of southern and northeastern France has been a worry to the government.

Mr. Chirac's sudden election call, nearly a year ahead of the expected date, was designed in part to stifle the National Front's momentum.

Mr. Le Pen and his party were caught flat-footed by the unexpected campaign, most mainstream analysts have concluded. The 68-year-old National Front founder said Wednesday that he had decided to forgo a legislative candidacy of his own, denying that he feared an embarrassing loss.

Michel Euler/The Associated Press

A Tug-of-War For Control Of Chechnya

By Michael Specter
New York Times Service

MOSCOW — The tenuous peace between Russia and Chechnya, its rebellious southern republic, dissolved this week into the kind of violence, threats and recriminations that have been common there for three centuries.

On Wednesday, a gunman shot and killed a local official in the neighboring republic of Ingushetia. Russian officials insisted that the attack, and others this week, were carried out by Chechen rebels, an assertion that leaders of the republic deny. On Sunday, a bomb — apparently planted by Chechen separatists — ripped through a railway station in southern Russia, killing 2 people and injuring 17.

And early Wednesday morning, the Russian police and rebel fighters engaged in the most sustained fighting since a 21-month war for the region ended in September.

"This is not a political struggle; it is banditry," said Interior Minister Anatoli Kulikov. "We will catch and destroy these criminals." Mr. Kulikov was one of the chief architects of the war — which human rights experts say killed as many as 90,000 people — and comments like those were a daily part of the conflict.

The situation in Chechnya has deteriorated steadily all year, since the election of Aslan Maskhadov as president. The region is split into factions, as it has almost always been. Some rebels want an all-out fight for total independence from Russia. Others, like Mr. Maskhadov, are willing to live at least for a while with what they have: No Russian troops on their soil and real freedom to conduct their affairs as they wish.

Further fighting is unlikely to resolve a conflict that has raged since Russia first claimed the mountainous region as a colony in the 19th century. Still, neither the Russians nor the Chechens have put forth a coherent vision for ending the struggle. Russia refuses to yield the republic and Chechnya refuses to consider itself a part of the federation.

Lawlessness has spread across the republic. Kidnappings, particularly of foreign journalists and relief workers, have now become common. Russian leaders assert their need to control the republic while doing everything possible to stay away from it.

Moreover, the Chechen government led by Mr. Maskhadov, who was the chief commander during the war, asserts its independence daily while attempting to extract from Russia the money it needs to rebuild the devastated land.

Last week, the government there introduced a new currency — which is against the law in the Russian Federation. Leaders have also courted the help of Islamic countries, like Saudi Arabia, Jordan and Afghanistan, in rebuilding the predominantly Muslim region.

May Day Brings Protest And Clashes in Germany

Compiled by Our Staff From Dispatches

LEIPZIG, Germany — More than 100,000 Germans demonstrated across the country at May Day rallies, protesting against record unemployment and an accompanying rise in rightist extremism.

As workers rallied, hundreds of neo-Nazis and dozens of leftist extremists smashed windows and stormed through the northern town of Muenden, where rightists organized an unauthorized march after being banned from Leipzig.

Trade union demonstrators in Berlin, Leipzig, Hamburg and other major towns, meanwhile, paraded through streets shouting slogans and waving banners that blamed Chancellor Helmut Kohl for Germany's 4.5 million unemployed, the highest total since Hitler came to power in the 1930s.

Speakers at the largest rally, of about 20,000 in the historic eastern town of Leipzig, said Germans should be wary of letting economic hardship lead to a repetition of history.

"Sixty years ago it was the Jews who were blamed for everything. Now it is apparently the turn of the Turks, the Africans or the asylum-seekers," said Klaus Zwickel, chairman of the IG Metall metalworkers and engineering union.

"But we must stop other groups being made scapegoats for a second time in Germany history," Mr. Zwickel said.

The crowd applauded as he said Mr. Kohl's government could not address the jobless crisis and should be dissolved.

Near Leipzig, about 150 leftist extremists hurled rocks and fireworks at police who were trying to keep them apart from a small group of skinheads defying a ban on a rally there.

Other leftist extremists hurled bottles and stones at the police in Berlin, where about 6,000 people took part in two demonstrations.

The worst violence was in the small tourist resort of Muenden, where the police said they detained 150 people in clashes between rightist and leftist extremists.

Opposition politicians around the country used the May Day demonstrations to attack Mr. Kohl's government for its failure to reduce unemployment and accused it of widening the divisions in society between rich and poor.

In Russia, meanwhile, more than 1.5 million people took part in street marches and protests in Moscow and most other big cities, according to police estimates.

"We don't trust either the president or the government," the Communist Party leader, Gennadi Zyuganov, said at rally outside the Kremlin.

During Soviet times, the International Labor Day holiday was celebrated with enormous parades presided over by Communist leaders. But since the Soviet collapse, the day has become a time for anti-government protests, especially for Communists and hard-liners. *(Reuters, AP)*

BRIEFLY

Wiesel Named to Board Managing Holocaust Fund

BERLIN — The Swiss government Thursday appointed Elie Wiesel as honorary chairman of a seven-member board that will supervise the operations of a multimillion- dollar fund for Holocaust victims.

The selection of Mr. Wiesel, the Nobel Peace Prize laureate, and two Israeli politicians ended a long, bitter dispute between the Swiss cabinet and Jewish organizations over who should be empowered to choose recipients for the nearly $200 million that has been donated by Swiss banks for destitute survivors of Nazi concentration camps.

The World Jewish Restitution Organization, which nominated Mr. Wiesel for the board along with the Israeli elder statesman Yosef Burg and a member of the Israeli Knesset, Avraham Hirshson, demanded special status for Mr. Wiesel to balance the clout wielded by four Swiss representatives. *(WP)*

Turkish Coalition Stands

ANKARA — The deputy prime minister of Turkey, Tansu Ciller, pledged Thursday to stand by Prime Minister Necmetin Erbakan.

Mrs. Ciller said her True Path Party would have nothing to do with an attempt by her fellow secularists in the opposition to form a shadow government and unseat Mr. Erbakan. Her party, she said, "is not going to hide behind anyone and take part in action to topple the government. For today, stability is necessary."

The army is demanding that Mr. Erbakan curtail moves that it believes have resulted in a rise in Islamist sentiment in the nation.

The pressure has exposed cracks in the coalition. Analysts say that the government is slowly collapsing but that Mrs. Ciller, who is to take over the government next year in a power-sharing deal, will try to stay with Mr. Erbakan for now. *(Reuters)*

Is Cow Disease Spreading?

LONDON — "Mad cow" disease may be quietly spreading across Europe because farmers and veterinarians are failing to report sick cows, a magazine reported Thursday.

New Scientist quoted officials across Europe as warning that ignorance and fear were contributing to the spread, and the officials urged that governments devise better checks for the disease, bovine spongiform encephalopathy.

The European Union banned British beef exports a year ago, when scientists said a new form of Creutzfeldt Jakob Disease, a rare brain-wasting illness that affects humans, had been linked to beef infected by BSE. *(Reuters)*

Croatia Cemetery Defaced

ZAGREB, Croatia — Swastikas and other fascist symbols were scrawled on tombstones in a Jewish cemetery southwest of Zagreb, a human rights group reported Thursday.

The cemetery in Karlovac, 50 kilometers (32 miles) southwest of the capital, was vandalized Wednesday night, the Croatian Helsinki Committee said. It accused the local police of denying access to reporters "in an attempt to cover up the crime." *(AP)*

IRAN: *EU Standoff Gets Harsh*

Continued from Page 1

for a one-way relationship with Europe."

The nation's religious leader, Ayatollah Sayed Ali Khamenei, urged the Foreign Ministry to bar the return of the German ambassador "for some time," and to "not show haste" in returning to European capitals the ambassadors that Iran had recalled late last month.

"We don't give a damn about your ending the critical dialogue," Mr. Khamenei said. "We never sought such a dialogue, and we have more criticism against you than you do against us."

At The Hague, the Dutch Foreign Ministry said Thursday that it was urging EU governments that had not yet returned their ambassadors to Tehran to refrain from doing so "until further notice." The Italian ambassador, the only EU envoy that had already returned, was expected to stay in Tehran.

The ministry also summoned the Iranian charge d'affaires at The Hague to explain Tehran's actions.

"The presidency will make it clear to the Iranian charge d'affaires," the Foreign Ministry said in a statement, "that the EU policy with regard to Iran is supported by all EU member states and that the EU will not accept that Iran takes arbitrary measures against some member states for a policy supported by all."

Iran's harsh reaction appeared to strengthen the hand of EU governments that favor tougher measures to punish Tehran for its support of international terrorism.

But the possibility that all 15 EU governments would endorse dramatic new measures was uncertain, at best. France, Italy and Greece took the softest line this week, rejecting any discussion of economic sanctions and stressing that the ban on official ministerial visits would not prevent informal contacts from taking place.

Despite the outcry in Germany over the court ruling, Bonn has resisted economic sanctions. Germany sold 2.2 billion Deutsche marks of goods to Iran last year, which made it Iran's biggest trading partner in Europe.

Privately, German officials credit the Iranian government with protecting Bonn's embassy in Tehran from mobs that protested the ruling. They fear that tougher EU measures will only strengthen the position of hard-liners.

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Peace Talks for Zaire Are Mired in Confusion

Mobutu Delays Departure for His Meeting With Kabila as Rebels Continue Advance

Compiled by Our Staff From Dispatches

KINSHASA, Zaire — Despite confusion over the timing of their meeting, President Mobutu Sese Seko of Zaire and the rebel leader, Laurent Kabila, prepared Thursday for face-to-face talks at sea with President Nelson Mandela of South Africa.

Marshal Mobutu's camp said the talks would focus on a peaceful transition of power, with elections open to all, while Mr. Kabila insisted that the strongman must step aside. Marshal Mobutu has ruled Zaire for more than three decades.

But as the civil war rivals and mediators variously announced that the talks would start Friday, Saturday and Sunday, the rebel advance on the capital, Kinshasa, continued.

Meanwhile, no explanation was given for why Marshal Mobutu did not depart Thursday for the talks as scheduled. It was announced only that the president would not be leaving as planned.

"The talks will just be about Mobutu and what we do with him," Mr. Kabila said before leaving his headquarters in Lubumbashi for talks in neighboring countries. "Our uncompromising demand is that he leaves power and we shall look after him."

He added: "There can be no ceasefire or indeed elections in this country until Mobutu and all he represents is removed and thrown away."

There was no indication that Marshall Mobutu, who seized power in a coup in 1965 and is now sick with prostate cancer, was ready to quit, although the rebel "foreign minister," Bizima Karaha, said the president had agreed to discuss his departure.

"We are happy that Mobutu has agreed to come and negotiate one and only one thing: his departure from power," Mr. Karaha said.

Bill Richardson, the special U.S. envoy who helped persuade Marshal Mobutu and Mr. Kabila to meet, said in Kinshasa on Wednesday that there were no conditions for the talks.

And Mr. Mandela said through a spokesman that he would lead the talks Friday aboard a South African naval vessel in international waters off the coast of West Africa.

But Marshal Mobutu's son Nzanga said the talks had been postponed until Saturday, while Mr. Karaha said Mr. Kabila could attend only on Sunday.

Honore Ngbanda, Marshal Mobutu's security adviser and chief negotiator, envisaged talks on "a peaceful transition leading to transparent and democratic elections that exclude no one."

Ministers and other government officials who were to accompany Marshal Mobutu to the meeting with Mr. Kabila were at the airport ready to depart, but the president never arrived. Sources close to the presidency said that the situation was "confused" and that the meeting might be postponed until Saturday.

Mr. Kabila's rebels, who took up arms in October, say they expect to seize the capital in 10 to 15 days. They now control more than half of the sprawling Central African nation — including all the main cities outside the capital.

Residents of Kenge, 200 kilometers (125 miles) from Kinshasa, said that the army had retreated and that the town was calm and waiting for the rebels to arrive — a familiar pattern in the seven-month campaign.

Residents of Kikwit, the rebels' forward base for their march on Kinshasa, said an expected rebel airlift into the town had not begun but that reinforcements had been arriving by truck.

The war has trapped thousands of Hutu refugees, who fled Rwanda in 1994 fearing reprisals after the genocide of Tutsi. Zaire's Tutsi-dominated rebels have been accused of killing refugees, or of leaving them to die.

International efforts to repatriate the Hutu gathered pace. A UN refugee agency official said 1,438 were flown out of Kisangani on Thursday to the Rwandan capital or its southern town of Cyangugu. *(Reuters, AP)*

George Makala/Reuters

A group of Rwandan refugees emerging from their hideout in the forests of eastern Zaire near Biaro on Thursday as the UN picked up the pace of repatriating thousands of Hutu scattered around the region.

Terror's Toll: 1996 Among Deadliest Years

By Tim Weiner
New York Times Service

WASHINGTON — International terrorist attacks killed 311 people worldwide last year, one of the highest death tolls recorded, the U.S. State Department said in its annual report on political terror.

Nearly 200 of those deaths were the work of the Liberation Tigers of Tamil Eelam, a separatist group in Sri Lanka, according to the report.

Once more, Iran, Iraq, Libya, North Korea, Sudan, Syria and Cuba were on the department's list of nations that sponsor such attacks. But the report said that only Iran, by assassinating dissidents abroad and supporting violent groups, was directly linked to any of the terrorist bombings and killings last year.

No international terrorists struck the United States last year, the report said; it made no mention of the midair explosion of TWA Flight 800 off Long Island in July, which killed 230 people. The Federal Bureau of Investigation is still not sure what caused the disaster.

"Domestic terrorism," the report said, "is probably a more widespread phenomenon than international terrorism today," taking a far higher toll in such nations as Sri Lanka, Algeria, India, Pakistan and the United States.

Still, 24 American citizens died in international terrorist attacks last year. Nineteen were killed in the June 25 truck bombing at a U.S. military base near Dhahran, Saudi Arabia. Five more died in bombings and shootings in Israel.

The 296 international terrorist incidents recorded in 1996 represented a 25-year low, and most were minor blows against commercial targets that killed no one. The deadliest attacks were carried out by the Liberation Tigers of Tamil Eelam. The group carried out the biggest bombing of 1996, an explosion in central Colombo, the capital, that killed 90 people in January, and it blew up a commuter train in July, killing 70.

The second-deadliest group of 1996 was the Islamic Resistance Movement, better known as Hamas, whose most militant factions want to establish an Islamic Palestinian state in place of Israel. A Hamas suicide bomber blew up a bus in Jerusalem on Feb. 25, 1996, killing 26 people, including 3 Americans. A second struck a Tel Aviv shopping mall a week later, killing 20.

The seven nations on the State Department's terrorism list are barred from receiving U.S. military and economic aid or importing American-made items that can be used for military purposes. Still, the report said, there was no evidence directly linking Cuba, Iraq, Libya, North Korea, Sudan or Syria to acts of state-sponsored international terrorism in 1996.

SKIES: *Citing Abuse, Airlines Take Aim at Rowdy Passengers*

Continued from Page 1

discuss ways of dealing with it.

The meeting reflected a hardening of the industry's position toward unruly passengers. "We want to create an awareness among airline travelers that disruptive behavior is unsafe, and it also is a federal offense that can get you some serious jail time," said Captain Randolph Babbitt, president of the Air Line Pilots Association.

Adding his voice to the warnings was Transportation Secretary Rodney Slater, who told the conference that his department was "committed to doing its part to help prosecute those who choose to put the flying public at risk by engaging in unlawful behavior."

Trans World Airlines just announced a zero-tolerance policy toward violent passengers. "Any employee who is subjected to assault while at work will receive the full support of the company," TWA said. "This will include in-house legal assistance, reasonable travel expenses and necessary paid absence for any criminal proceeding associated with the prosecution of the attacker."

Almost all the major carriers have adopted similar-sounding positions.

Northwest Airlines, which established a Violent Passenger Task Force this year, is hiring psychologists to help train flight attendants on ways to deal with in-flight fractiousness.

The main thrust of the industry's efforts is defensive. Figuring they can cool passengers' passions quickly by raising the specter of prosecution, airlines are bombarding troublemakers with early warnings to shape up. American Airlines workers caution disruptive passengers orally first, then in writing. The printed message is more intimidating because it can be ostentatiously detached from forms for reporting misbehavior to both the police and the Federal Aviation Administration.

Some airlines are training their pilots and flight attendants on the best way to apply handcuffs — devices that have long been required under federal law to be carried on all flights. The practice of keeping a pair of handcuffs handy grew out of the wave of airline hijackings in the late 1960s and 1970s. In those days, armed undercover federal agents were placed on random flights to deter the piracy, and that deterrent, combined with international treaties that require the return of hijackers to face long sentences, lowered the number of air hijackings on U.S. carriers from a record 40 in 1969 to none since Feb. 10, 1991.

While nobody keeps count of all the rowdy incidents at airports and aboard planes, the evidence points to a sharp increase. Cases reported to the FAA of passenger interference with crews during flights nearly doubled in two years, to 174 in 1995, the last full year for which statistics are available, from 96 in 1993. And those numbers do not include confrontations that were handled by local police or flight crews.

Few carriers keep statistics on abuse or assault, mostly because such incidents were rare until the last year or two. They are still few and far between, considering that U.S. airlines flew a record 581.2 million passengers last year.

But Delta Air Lines said in an internal bulletin to employees last September, "We have recently seen an increase in the number of incidents involving serious passenger misconduct toward crew members and other personnel, involving instances of assault and battery."

Passenger misconduct at American Airlines gates and aboard its planes soared from 296 cases in 1994 to 882 in 1995; those statistics include cases of physical contact, which quadrupled to 140 in 1995.

"Some of them were taken to the hospital, treated and released, but thankfully nobody was seriously injured," said Cliff O'Neal, communications coordinator for the Independent Association of Professional Flight Attendants at American.

DRUGS: *Biotechnology Yields a Swarm of Would-Be Substitutes for Chemotherapy*

Continued from Page 1

particular boon to small biotechnology companies that had felt they could not afford the long clinical trials at several hospitals that traditionally have been required to establish the efficacy of new cancer therapies.

The new process admittedly raises the risk that some drugs of questionable value will reach the market. But some cancer patients say that is a risk they are willing to take, and oncologists and industry executives say they believe that trials will weed out those drugs whose potential harm outweighs their benefits.

The companies acknowledge that many of these treatments will fail; nine out of 10 experimental drugs do. But the sheer numbers — with hundreds of such treatments now clinical trials — make it virtually certain that some will succeed.

Like all new biotechnology products, these drugs will be expensive, typically thousands of dollars for an annual supply. But if they work, they will in many cases cost less than the multiple chemotherapy drugs they replace and will result in savings from shorter hospital stays, fewer repeat surgeries and increased productivity.

The biotechnology industry began investing in cancer research from its inception 21 years ago, but it met initially with only mixed results.

Early biotechnology drugs such as alpha interferon and interleukin-2 are effective against some cancers but only in doses as toxic as the most potent chemotherapy drugs.

The problem is that chemotherapy drugs, interferons and interleukins kill not only cancer cells but also cells essential to life. Reducing dosages to tolerable levels limits their effectiveness, so cancers return.

By contrast, the new "biotherapies" draw on the growing knowledge of the process of cancer to target specific molecules or genes known to play a role in a specific disease.

While Bristol-Myers Squibb Co. has essentially owned the chemotherapy market for two decades, the biotherapy market is wide open.

Among the drugs likely to reach the market soonest is rituximab, co-developed by Genentech Inc., the pioneering biotechnology company in South San Francisco, California, that is now controlled by Roche Holdings of Switzerland, and Idec Pharmaceuticals Inc., which is based in San Diego.

In clinical trials against non-Hodgkin's lymphoma, the drug shrank tumors by at least 50 percent in about half of the patients. Most important, it worked in patients with the slow-growth form of the disease, which resists chemotherapy because that treatment emphasizes attacking rapidly growing cells. The drug's side effects were reported to be minimal, with most of them resembling mild to moderate flu symptoms.

Genentech and Idec filed for government approval of rituximab on March 3 and expect a response by the end of the year; if approved, rituximab will be the first monoclonal antibody for cancer. Monoclonal antibodies are genetically engineered copies of proteins that are the immune system's front-line defenses.

Other companies, including Coulter Pharmaceuticals Inc., Immunogen and Protein Design Labs Inc., have monoclonals in clinical trials for non-Hodgkin's lymphoma that offer the prospect of greater potency than, or at least competition for, Genentech's drug.

Genentech has another monoclonal antibody in clinical trials for advanced metastatic breast cancer. The drug, known as Anti-HER2, focuses on a cancer-promoting protein on the surface of cells that is overproduced in 25 percent to 30 percent of breast-cancer patients, typically those in the most untreatable stages.

An initial study of 43 patients for whom chemotherapy had failed produced the first statistically significant response to a monoclonal antibody drug for breast cancer: the disease was found to have stabilized in 14 patients, while five experienced a complete or partial remission and two had minor remissions. Side effects were limited to a temporary fever and chills. Genentech said the drug could be submitted for federal approval as soon as next year.

If the breast-cancer drug works, "we're ready to pull the trigger on a very broad antibody program," said Arthur Levinson, Genentech's president and chief executive. "My guess is, if you work hard enough, you can find points of vulnerability on all solid tumors."

Like monoclonal antibodies, therapeutic vaccines for cancer are, after years of equivocal results, beginning to pay off. Ribi Immunochem Research Inc. of Hamilton, Montana, will seek government approval this year for Melacine, which consists of fractured pieces of two kinds of human melanoma tumor cells combined with a powerful immune-system stimulant.

In clinical trials, Melacine has showed survival times equivalent to those seen with an aggressive experimental regimen of four chemotherapy drugs — but without the debilitating side effects.

Monoclonal antibodies focus on proteins implicated in the cause or maintenance of cancer. As such, they can be more specific than a chemical drug that simply kills fast-growing cells. Newer approaches, such as antisense drugs, offer the promise of even greater precision; they work on the genes within cells that prompt the production of these proteins.

Labour Party: A Model for French Left (And Right)

By Craig R. Whitney
New York Times Service

PARIS — Long before the British election returns started coming in Thursday, conservatives and leftists in the French election campaign had been using Tony Blair and the Labour Party as a model.

For the governing French conservatives, Labour is a model of the modern, with-it party they say their Socialist opponents have failed miserably to become. For the Socialists, Labour's victory is a model for their own when the French go to the polls on May 25 and June 1.

"Tony Blair is a friend. I wish Labour, who are the British socialists, success," said the Socialist Party leader, Lionel Jospin, at a campaign rally Thursday near Toulouse. It was a holiday across most of the Continent — May Day, the day Europeans pay homage to labor with a small "l."

But "radical centrism," as Mr. Blair calls Labour's new and more capital-friendly doctrines, means many things to many people in France.

"His success will be the end of a policy of ultraliberalism, the one that our government here is applying," Mr. Jospin said, referring to the similarities between the policies of Prime Minister John Major of Britain and his predecessor, Margaret Thatcher, and French policy under Prime Minister Alain Juppe, whose conservative coalition the Socialists and their Communist allies hope to defeat at the end of the month.

Francois Hollande, the Socialists' spokesman, said with some justification that the French conservatives were trying to hijack Mr. Blair for themselves.

"In Britain, there are two conservative parties," said Pierre Lellouche, a member of Mr. Juppe's neo-Gaullist Rally for the Republic party.

He commended Mr. Blair's "New Labour" for saying it would continue tight controls on government spending and not increase income taxes, leaving in place the hallmarks of Conservative policy.

Alain Madelin, a conservative who has the reputation of being one of Lady Thatcher's few intellectual soul mates here, joked at a campaign rally that even he would never have dared put forward a campaign proposal to make the top French tax rate 40 percent, the level Mr. Blair said he would not increase in Britain.

"Even that, he thinks, is too much, and he promises to lower it!" Mr. Madelin said. The top rate in France is 54 percent.

Mr. Madelin, who served briefly as finance minister in 1995, holds the view that France is top-heavy with bureaucrats — an idea that President Jacques Chirac, the top conservative here, has also come to embrace.

Even there, the French press finds an echo of Blairism. An editorial this week in Le Nouvel Observateur magazine said, "It is true that Chirac's slogan 'less government, less taxes' could as well be Tony Blair's."

But another French conservative, former Prime Minister Edouard Balladur, said: "It seems to me that the British Labour Party has had its cultural revolution, but not the French Socialists. Mr. Jospin is still talking, and thinking, in the outdated concepts of state intervention that failed in the early 1980s."

Mr. Jospin and the Communist Party leader, Robert Hue, agreed Tuesday night on a joint campaign statement promising to unfreeze government spending, to immediately pass a law reducing the work week from 39 to 35 hours without any reduction in pay, and to create 700,000 new jobs for young people.

They denounced government austerity policies aimed at cutting budget deficits in order to qualify for membership in the common European currency planned for 1999.

"Together," they said, "we refuse to allow our people to be called upon to make new sacrifices."

CHINA: *Clinton Gets Vow on Hong Kong*

Continued from Page 1

and congressional leaders with two purposes, American and Chinese officials said: to prepare for the state visit this autumn of President Jiang Zemin and to reassure the Americans about Beijing's commitment to preserve the autonomy and free market of Hong Kong.

Mr. Qian met with Mr. Clinton for 40 minutes Wednesday, discussing issues ranging from Hong Kong to China's growing trade deficit with the United States, now approaching $40 billion by some accounts. White House officials said that Mr. Clinton made an "especially strong presentation" to Mr. Qian on "the need to redress and reduce any barriers to freer trade."

Better market access is the American requirement for China to join the World Trade Organization, and Mr. Clinton told Mr. Qian that "were the Chinese in a position to make a bold proposal, we'd be in a position to make a bold response," a White House official said.

He said the United States still hoped that agreement could be reached with China this year on the terms of its membership in the organization.

On Tuesday, Mr. Qian said that under China's rule "the democracy, freedoms and human rights enjoyed by the Hong Kong people will be more extensive" than under British colonial rule, which introduced more freedoms only in the last few years. He also promised that Hong Kong would have autonomy "unmatched in the world" and would be governed solely by local officials approved by Beijing.

Asked about Mr. Qian's assurances, Mr. Clinton said: "We had a good discussion about Hong Kong, and he assured me that China intended to observe the terms of the agreement of 1984 that they made with Great Britain and that the United States supported back then. I was quite satisfied with what he said. And I certainly hope that it will reflect Chinese policy."

Mr. Qian has publicly denied allegations, attributed to unnamed officials at the FBI, that officials at the Chinese Embassy in Washington talked among themselves about giving money illegally to influence the American election.

Mr. McCurry confirmed that the FBI director, Louis Freeh, briefed the national security adviser, Samuel Berger, on Monday about the bureau's inquiry, after the White House discovered that the bureau had first briefed legislators.

BRITAIN: *Labour Holds Lead*

Continued from Page 1

"The polls have been wrong before and they can be wrong again," Mr. Blair said. "Every last vote counts."

Yet, repeated Tory attempts to cast doubt upon the validity and the durability of the sweeping reforms that Mr. Blair has rammed through his party since taking over have fallen flat. In fact, many pundits identify the emergence of Mr. Blair as party leader in July 1994, after the death of his predecessor, John Smith, as one of two crucial factors that finally turned Labour's fortunes.

The other was the ignominious ejection of the pound from the European currency grid in September 1992. That catastrophe seemed to kick away the underpinnings of long-standing Conservative claims that they and they alone had a mastery of business and the economy.

Despite the Tory campaign slogan of "New Labour, New Danger," when it came to the Conservatives own prospects, it was its own members that proved most lethal. In fact, while Mr. Blair crisscrossed the nation with his wife, Cherie, a lawyer, at his side, selling the nation on his vision for Britain in a meticulously choreographed campaign, long on photo opportunities and preciously short on concrete proposals, Mr. Major rarely made it to the hustings starting gate.

Repeatedly, the prime minister found himself thrown on the defensive by his own cabinet colleagues and back-benchers. Early on in the campaign it was accusations of sleaze, of Tory MPs' taking cash from prominent businessmen to ask questions in Parliament. Later, it was the divisions in the party over whether Britain should pitch its currency in favor of signing up for Europe's new single currency beginning in 1999.

By the final week of the campaign things had degenerated to the point where the party's own chairman, Brian Mawhinney, was widely reported to no longer be on speaking terms with its chief advertising guru, Lord Saatchi, and vice versa. Both anonymously then settled down to trade accusations of incompetence through friends in the press as the party's poll ratings sank to all-time lows for the closing days of a campaign.

While the Tory campaign descended into chaos in its final days, Labour's, in contrast, was hoisted intact upon the shoulders of its media backers, who carried it triumphantly the final mile.

Thursday's editions of Britain's largest selling tabloid, The Sun, which in 1992 loudly backed the Tories, ran a front page editorial noting, "There is a passion burning within Blair that can set this nation alight."

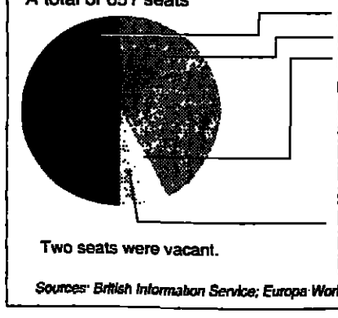
The Mirror, traditionally Fleet Street's staunchest Labour supporter, struck a nastier tone Thursday. It implored its readers to "get even today" for what it calculated as 6,207 "dark" days of Tory rule.

Security was heavy to combat any attempt by the Irish Republican Army to disrupt the voting as it has done in the six-week campaign with a succession of bombs and bomb hoaxes.

In Northern Ireland, polling was delayed by a series of security alerts involving abandoned vehicles. Belfast City Airport was closed at one point, but no bombs were found.

Parliament Before the Election

A total of 651 seats



Conservatives	323
Labor	274
Liberal Democrats	26
Minor Parties	
Referendum Party	1
Scottish National Party	4
Plaid Cymru	4
Ulster Unionists	9
Social Democrats and Labor Party	4
Democratic Unionists	3
U.K. Unionists	1

Two seats were vacant.

Sources: British Information Service; Europa World Yearbook; Associated Press

Belfast Inmates End Revolt Over Security

Reuters

BELFAST — Convicted pro-British guerrillas ended a tense three-day dispute Thursday over new security measures at Northern Ireland's main prison near Belfast, a leading Protestant politician said.

Gary McMichael, the leader of the Ulster Democratic Party, said after meeting the inmates that they were "pleased that their concerns have been addressed."

The prisoners had tried to burn down two watchtowers and had climbed on to cell-block rooftops to protest security measures brought in after a tunnel escape attempt last month by Irish Republican Army inmates. The unionist inmates said they were being unfairly punished for IRA wrongdoing.

Mr. McMichael denied media reports that false bomb alerts that caused traffic chaos in Belfast were the work of supporters of the prisoners.

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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Mobutu Must Go

The first consideration in the face-to-face talks that American diplomacy has organized in Zaire is that Mobutu Sese Seko not be allowed to exploit them to hang on to power. The purpose of the exercise is to get him out of there with as little further pain to Zaire as possible. There is no call for a sentimental indulgence of the man on the basis that in the past he had his uses for the West and that now he is gravely ill. He had his run, and he is owed nothing. Indeed, he owes. The billions he seeks to retain from the fruits of his looting are not his. They belong to the country, and they will be immensely helpful in the rebuilding that his misrule now makes a national priority.

The second consideration goes to the challenger whom Marshal Mobutu has finally agreed to talk with, Laurent Kabila. He is going to have to swiftly make the whole difficult transition from rebel leader to likely head of a sovereign state. At the outset that requires rescue, relief and repatriation for the largely Hutu Rwandan refugees who were trapped in eastern Zaire, who were then assaulted and hundreds or more of them murdered by Mr. Kabila's Tutsi army and who are Mr. Kabila's direct responsibility. Exploiting his military momentum, he has thus far refused a cease-fire; as his talks with President Mobutu begin, that is going to have to change. Then — assuming that Mr. Kabila takes over — he must plunge into the establishment of a first-stage political framework resting on the participation and consent of the diverse groups that make up Zaire. The goal ought to be a reasonably prompt and orderly transition to a democratic government. South Africa and some other African states have good advice to offer.

The leader of the diplomatic reach for a softer rather than a harder landing in Zaire is Bill Richardson, the Clinton administration's man at the United Nations. He brought, and appears to be embellishing, his considerable reputation as an international troubleshooter. Others have had and will have roles to play in helping the Zairians restore their country. But it is notable in this instance that only the United States was in a position to make the end-game as painless as it was still possible to make it, given all that had gone before.

Still, there is no cause for American self-celebration. Some considerable part of Zaire's primal agony unfolded from an undemocratic, exploitative regime that the United States, not alone, brought to power.

—THE WASHINGTON POST.

Pentagon Spending

With foreign military threats receding and pressure to balance the budget building, the Clinton administration and Congress have a rare opportunity to reduce Pentagon spending to more reasonable levels.

Maintaining American military superiority is vital, but it does not require an annual Pentagon budget of $250 billion.

Making reductions must begin with recognition that Cold War benchmarks are misleading. Arguing that a 1998 Pentagon budget of $250 billion is dangerously diminished because it falls 40 percent below the 1985 level is tomfoolery. It dodges the essential point that most defense spending from 1947 to 1992 was devoted to dealing with the Soviet Union and its allies, a threat that no longer exists.

Politicians should also recognize that Pentagon spending is a significant force only in communities with large defense manufacturers or military bases. Pentagon spending is not the flywheel of prosperity in a $7 trillion national economy.

Certainly, the United States cannot be complacent about its security. Iraq remains a threat to American interests in the Gulf region. North Korea, strained by famine and heavily armed, could seek relief by renewing hostilities on the Korean Peninsula. China aims to be a military power in the decades ahead. Terrorism is a constant danger, and the need to send American troops abroad in peacekeeping roles is likely to grow. But no current or near-term peril comes anywhere close to the former Soviet threat.

The Pentagon is examining military requirements as part of its Quadrennial Defense Review, but do not expect much creative thinking from this exercise. The generals should be redesigning the American military to meet the threats of a new era, an exercise that might well slash budgets and discard the principle that America be able to fight two regional wars simultaneously.

That principle has justified an army of 495,000 active-duty troops and a navy with 12 aircraft carriers, just one less than the Cold War fleet. Scaling back to a more realistic one-war doctrine, plus sufficient air power to pin down an enemy elsewhere, would save $10 billion to $20 billion a year, even with more spending on stealth aircraft. Closing and consolidating bases and other support operations would produce additional savings.

Instead of looking seriously at these options, the generals are trying to determine how little they can cut within the administration's five-year budget plan for the Pentagon. Under that plan, the budget would grow steadily, reaching $278 billion in 2002.

It includes a whopping 40 percent increase in spending for new weapons.

It would be interesting to see where planning would lead if it were not governed by the Clinton administration's escalating Pentagon budgets and the military's exaggerated threat assessments. It is not unreasonable to believe that American security can be adequately protected for considerably less than $250 billion a year.

—THE NEW YORK TIMES.

Getting the Gunrunners

Using data from the Federal Bureau of Alcohol, Tobacco and Firearms, a congressional staff study has confirmed what many Americans have long suspected. A large percentage of the guns used in crimes nationwide can be traced back to a handful of states with the weakest gun control laws. The study, prepared by the staff of Representative Charles Schumer, a New York Democrat, confirms the urgent need for a federal crackdown on professional gunrunners and their deadly export business.

States like New York and New Jersey, which have strict handgun laws, are lucrative targets for gunrunners, who legally purchase several dozen cheap pistols in less restrictive states and then transport them to more restrictive states for resale on the black market. Just this week, for example, the Manhattan district attorney, Robert Morgenthau, and New York City's police commissioner, Howard Safir, announced indictments against participants in a Harlem gunrunning ring that purchased large quantities of handguns in Georgia and resold them at a huge profit to drug dealers and other criminals in New York. Of the traced guns used in crimes in New York and New Jersey in 1996, more than three-quarters came from out of state.

Four states with the loosest gun control laws — Florida, Georgia, South Carolina and Texas — accounted for fully a quarter of all guns seized in crimes nationwide in 1996 that were originally purchased outside the state where the crimes were committed.

A commonsense measure introduced last year by Mr. Schumer, and ignored by the Republican Congress, would limit a customer's gun purchases in any state to one a month. Tellingly, a 1995 study by Handgun Control Inc. showed a big drop in Virginia's share of the gun trafficking trade after it enacted a one-gun-a-month rule four years ago.

Together with two Democratic senators, Robert Torricelli of New Jersey and Richard Durbin of Illinois, Representative Schumer has introduced another promising measure to stiffen the penalties for gunrunners, and to hold them responsible when a gun they smuggle is used to kill or seriously injure someone.

So far, there are no Republicans willing to co-sponsor the bill.

Yet it should appeal even to many gun control opponents, who argue that instead of controlling guns Congress should concentrate on punishing gun crime. By cracking down on gunrunners, the new proposal would do exactly that.

—THE NEW YORK TIMES.

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America Rules and the World Grows Restive

By Jim Hoagland

WASHINGTON — Success in the Cold War and its robust economic performance in the 1990s have made the United States the only unchallenged world power in modern history. Now other nations are looking for ways to constrain and perhaps redistribute that power — to exercise what James Schlesinger called in a recent speech "the historic tendency to cut a leader down to size."

Mr. Schlesinger, an American mandarin who held cabinet positions in the Nixon, Ford and Carter administrations, cited the Russian-Chinese summit meeting in Moscow last month as one example of that trend. Another is the sharp, unified reaction by European countries to U.S. legislation attempting to restrict international trade with Cuba, Iran and Libya.

"We seem oblivious to others' reaction to what we are doing," Mr. Schlesinger told an audience at the Center for Strategic and International Studies here. "Our triumph in the Cold War has undermined our judgment" and has led to "an arrogance of power" in America's dealings with the rest of the world.

Mr. Schlesinger knowingly chose provocative language and clear examples to drive home a fairly subtle point. Except for rogue states like Iran and Iraq, foreign nations will not declare that they are out to limit American leadership. They may be uncomfortable with that leadership, but there is no clear alternative at this point.

But there is a clear mood of disenchantment with American hegemony that Mr. Schlesinger has picked up.

"We Europeans find ourselves again and again dealing with situations in which the United States is vitally needed and very often resented precisely because it is vitally needed," a British official told me last week in London.

On recent trips to Europe, I heard small echoes of Mr. Schlesinger's large point in the way Europeans discussed global trade and monetary union.

It is increasingly accepted in Europe that eight to 11 countries will join together to create a common currency, dubbed the euro, at the beginning of 1999. U.S. policymakers must now ask seriously what impact this new money will have on the dollar and on America's overwhelming dominance of international finance and trade.

Skepticism that the euro will work as planned still abounds in Washington and in world financial markets; skepticism that it will come into being is rapidly dissipating.

"The euro will happen, but it will not be sustainable," Federal Reserve Chairman Alan Greenspan is quoted by European monetary officials as having observed privately. That is slightly more negative than the view held by senior officials at the Treasury Department, who predict that melding the French franc, German mark, Spanish peseta and a half-dozen smaller European Union currencies will not affect the dollar's role as the highly preferred international reserve currency and will not diminish American global power.

The euro already is making itself felt in European politics and diplomacy. Rome and Bonn have clashed over predictions by German politicians that Italy will not qualify for early membership in the euro's issuing authority, the new European Central Bank. Elections in Britain and France this spring have focused on the euro, which is likely to dominate Germany's national elections next year as well.

A firm new commitment this spring from Germany's Chancellor Helmut Kohl to the 1999 euro target date has created much of this ferment.

President Jacques Chirac of France called parliamentary elections a year early only after receiving what he felt was an ironclad private commitment to the euro from Mr. Kohl, according to a senior French official.

Europeans admit that the creation of the euro, which will not replace national currencies in daily life until 2002, is still an experiment. But it has progressed far enough for them to wonder aloud what the American attitude and policies will be toward this new challenger to the dollar — the medium of exchange for half of all international trade transactions today.

American officials need to look beyond the technical monetary data they now use to examine the euro and to calculate U.S. policy.

A new continental money is coming to fruition as other nations look for ways and means to counteract U.S. unilateralism. No longer a unicorn, the euro carries a political message for Washington.

The Washington Post.

A Saudi and Iranian Heart-to-Heart on the Khobar Bombing

By Thomas L. Friedman

WASHINGTON — Crown Prince Abdullah of Saudi Arabia and President Hashemi Rafsanjani of Iran met recently in Islamabad, Pakistan, to try to ease tensions between their two countries. Here's what I imagine their conversation sounded like.

ABDULLAH: Hashemi, nice to see you again. Let's get right to the point. We have the goods on you. The Americans have the goods on you. Even the Canadian Mounties have the goods on you. We know that you supported the Saudi Hezbollah team that carried out the June 25, 1996, Khobar Towers bombing, which killed 19 Americans, and that you're harboring at least one of the bombers, Ahmed Mughassil. Hani Sayegh, the Saudi Shiite arrested by the Canadians for suspected involvement in the bombing, alluded to some of his pals being in the "country of Rafsanjani" in phone calls with his wife that we were tapping. I believe that's your country.

We've also been tracking an Iranian intelligence officer, a certain "Abu Jallal," who was your link with the Saudi Hezbollah in Lebanon. He's a bad boy, Hashemi. And what about those German courts, accusing you mullahs of personally ordering the 1992 killings of four Kurdish dissidents in Berlin? I believe the Germans even had an informer from your inner circle.

Hashemi, for all these reasons the Americans have been having a lot of quiet discussions with their allies to see who might join them in either bombing you or blockading you. You say you're not afraid, but your foreign minister has been traveling all over the Arab world warning everyone against participating in a U.S. retaliation. And then of course your Supreme Religious Guide, Ayatollah Khamenei, said any Gulf state that supported an attack against Iran "will burn in the fire ... particularly those living in glass houses." He *wasn't talking about us, was he?* Is that why you've been cozying up to the Russians, trying to buy new SA-12 surface-to-air missiles? You see, Hashemi, our intelligence is much better than you think. We've bought off every Middle East intelligence service, even yours. It's amazing what you can do with an American Express card.

Now, Hashemi, we told your secret service people in that meeting we just held that we're ready for a deal. The Americans are crazy: C-R-A-Z-Y. They want to blow up your reactor and intelligence headquarters. So I've got a little proposal for you: You give us Mughassil — which would send a signal to all his pals that you won't protect them — and we'll just call it even. We'll make sure the Americans never get enough evidence to flatten you. We'll chop a few heads off and close the file.

RAFSANJANI ANSWERS: Abdullah, Abdullah, Abdullah. *You make me laugh my turban* off. Don't you get it? The Americans aren't crazy. They're cowardly. C-O-W-A-R-D-L-Y. They'll do anything to avoid military action against us — even if they have the evidence. Look, the Americans wouldn't even convict that football star, Simpson, for murdering his ex-wife, and they had his DNA on every piece of evidence. DNA, Abdullah, DNA. And you think they are going to convict us on the basis of a few vague wiretaps? No way.

Abdullah, there is a lot about Saudi Arabia that has changed in recent years, but there is one thing that hasn't changed — your geography. Your main oil fields are still well within our missile range. Anything the Americans do to us, we will do to you twice. By the way, how did you like those war games we staged all along the Gulf last week — 200,000 troops and surface-to-surface missiles? Impressive?

Sure, the U.S. can hurt us for *a day or a week, but they'll get* tired. They always do. Some idiot congressman will demand to know how much it all costs. And when one American boy is scratched his mother will be on CNN within minutes demanding that the president be impeached.

What's that American expression? People who live in glass houses shouldn't throw stones. That's you, Abdullah. I've told you, we've never heard of Mughassil. The people you are looking for are under Syrian control in Lebanon's Bekaa Valley. The Syrians are trying to shake us both down. So I warn you, Abdullah, if you come after us, shoot to kill — shoot to kill, baby. Because if we're still standing when the smoke clears, you'll be sorry. Here's my offer: Stop giving the Americans evidence, behead those you've already arrested, call the whole thing a domestic plot and we'll just forget it. Anyway, we're innocent. Really. And we'll never do it again ...

The New York Times.

West Should Support, Not Demonize, Hong Kong's New Chief

By Ralph A. Cossa

HONOLULU — *Advisers to* the man designated to become Hong Kong's first non-British ruler in more than 150 years, Tung Chee-hwa, have apparently convinced him not to travel to the United States in May ahead of the territory's handover to China on June 30. This is probably good advice. While Mr. Tung may have an important message of patience and tolerance that Washington needs to hear, it is doubtful that anyone will listen seriously.

Nothing appears to provide a greater curse in Washington these days than to have received Beijing's blessings. As China's designated successor to Hong Kong's British governor, Chris Patten, Mr. Tung would have to expect a decidedly cool reception in the United States — especially if contrasted (as the press would have done) with the reception accorded Martin Lee, chairman of Hong Kong's Democratic Party, who received what one U.S. congressman described as a "hero's" welcome during his April visit to Washington. It is not difficult to understand why: Americans love democracy and those who fight for it.

But this moral commitment to freedom should not be equated to automatic support for Mr. Lee and his confrontational approach toward Beijing. On Capitol Hill, Mr. Lee told legislators that "Chinese intentions toward Hong Kong can be summed up in one word: control. They do not want the golden goose to fly free." That's true, but they have no wish to kill it either.

The challenge is to find a balance between China's desire for control over Hong Kong's destiny and the desire of the territory's people to continue enjoying the economic and political freedoms and benefits they have now. China may have the power to deny these freedoms — its sovereignty over Hong Kong from July 1 is undisputed — but it cannot change people's hopes and aspirations.

Mr. Tung, the man assigned to achieve this balance, has been roundly criticized by Mr. Lee and many members of the U.S. Congress for being more concerned with making Beijing happy than with assuring Hong Kong's future security and autonomy. Yet the former must be accomplished if the latter is to be realized.

Mr. Tung recognizes Beijing is as eager as he is to achieve a smooth transition and prove the validity of its "one country, two systems" formula. The political and economic stakes are enormous. This is why China in 1984 signed a Joint Declaration with Britain in which it willingly gave up some of its sovereign rights by promising, in general terms, to preserve Hong Kong's existing social, economic and political structures. The 1990 Basic Law was intended to institutionalize these unprecedented concessions.

Enter Mr. Patten. China claims, not without some justification, that he violated the spirit and intent of the 1984 declaration in his attempt to ensure that Hong Kong would have greater freedom in the future than it had traditionally had under British rule in the past.

The Chinese decision to disband the current legislature in the territory and void some portions of the 1992 Bill of Rights and other civil liberties laws (promulgated without close consultation and over Beijing's complaints) is seen by China not as a violation of the 1984 declaration but an attempt to return to that agreement.

This is not intended to justify or endorse Chinese actions. Beijing has missed a real opportunity to show its commitment to "one country, two systems" by letting Mr. Patten's changes remain in place. Mr. Tung's team seems somewhat embarrassed and apologetic in having to implement some of the more recent changes demanded by Beijing, including the banning of political parties and the requirement for police approval to hold a protest meeting or march. This type of heavy-handed Chinese pressure plays to everyone's worst fears about Beijing's behavior when it takes control of Hong Kong.

The 1984 declaration and the 1990 Basic Law are the standards by which China has agreed to be judged when it assumes authority over the territory. They might not be as good as Mr. Lee and other democracy advocates desire, but they are a significant improvement over life in the rest of China and a mutually agreed starting point. In the final countdown to handover, those interested in the fate of Hong Kong should be insisting that Beijing live up to these understandings, agreed on with Britain.

Beijing must realize that, whatever it thinks of Messrs. Lee and Patten, it cannot change the desire of the people of Hong Kong for the freedoms they have been exposed to over the past five years.

Conversely, politicians in Hong Kong, the United States and elsewhere need to focus on the agreements China has pledged to honor and rally behind Mr. Tung, the man with the heavy responsibility both of keeping Beijing happy and protecting the freedom and prosperity of his people.

The writer is executive director of the Pacific Forum CSIS, a foreign policy research institute affiliated with the Center for Strategic and International Studies in Washington. He contributed this comment to the International Herald Tribune.

The Last Toffee-Nosed Lothario

By Maureen Dowd

WASHINGTON — You don't often get to hear a political candidate described as "louche" these days. Especially when the word is used as a selling point.

That is why, before I left London, I had to go see Alan Clark, the last great rake of British politics.

The rest of the Tory party may be in Titanic mode — like Bob Dole, John Major's last resort is to warn voters to "wake up" — but Mr. Clark *is breezing to victory in* wealthy Kensington-Chelsea, called "the toffiest-nosed constituency" in Britain by the pollster Bob Worcester.

It is quite a comeback for the former Thatcher defense minister and military historian, who drives a red Bentley and lives in a 17th-century castle in Kent.

The 68-year-old son of Kenneth Clark, of "Civilisation" fame, once played the Black Adder to Margaret Thatcher's Lady. She loved his roguish swagger; in return, he said she had nice ankles, but added that he "didn't want to jump her."

He left the House of Commons in 1992 and wrote "Diaries," in which he mocked colleagues and described toilet habits, expenses ("I'm down three bottles of Dom Perignon, three Talbot blanc, four '78 Morgon, one Cockburn '60 and a lot of brandy") and liaisons — including "three girls related by blood."

The family of Judge James Harkess came forward and sold the story of Mr. Clark's affair with the judge's wife and two daughters to a tabloid. Mr. Clark's loyal wife, Jane, who regrets once throwing an ax at her husband when he was on his way to an assignation, *observed:* "If you bed people of below-stairs classes, they go to the papers, don't they?"

They do. James and Valerie Harkess, lifelong Tories, have flown back to London from South Africa, where they now *live, to campaign for the* Labour candidate running against Mr. Clark.

But while Mr. Clark's party may be going to defeat partly because people are fed up with all their sleaze and sex scandals, *this cad is thriving.*

Young women in Chelsea mutter that he's an "unreconstructed pig." But the newspapers are full of stories about silver-haired ladies cooing at him, "Oooh, you are the handsome one."

Simon Hoggart of The Guardian wrote that the voters wanted someone with a "louche reputation" who "would enliven cocktail parties."

Mr. Clark's headquarters is deserted except for his wife on a folding chair — "That's what wives do," she smiled, "sit and wait." The elegantly dressed Mr. Clark, stretching out his long legs, said he differentiated between sex scandals and money scandals: "It's dishonorable, period, to take money from anyone except the Crown if you're in public service. It may or may not be dishonorable to misbehave sexually."

The man who "brings out the sex kitten in women of a certain age and class," as The Telegraph put it, scoffed at Tony Blair's aides' efforts to talk up "a swoon factor" around the Labour leader.

"*Women find him not so* much unattractive but slightly — I'm embarrassed about repeating this — repellent," Mr. Clark said. "He hasn't got it."

Mr. Clark discussed the comparisons of Bill Clinton and Mr. Blair. "Well, Blair has not been hassled the way Clinton has, with girls and bank managers." He paused. "That's a bit much, to have girls and bank managers going at you simultaneously."

As I left, I asked him what issues were important in his district.

"How to stay rich," he replied.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Hawaii's Future

SAN FRANCISCO — Complications have arisen over the United States' sending of the Philadelphia to Honolulu. Japanese officials claim that the *cruiser was sent as a menace to* Japan, and that it foretells the annexation of Hawaii. Regarding the Japanese labor problem on the islands, Chief Justice Judd, of Hawaii, expressed the fear that if the Japanese gained a numerical supremacy, they would also seek political supremacy in the islands.

1922: 'Base Betrayal'

CHICAGO — President Samuel Gompers, of the American Federation of Labor, issued a statement against American recognition of Bolshevist Russia, calling it "a needless and base betrayal of civilisation." He declares that America *is flooded with* propaganda and that "predatory international finance has its appetite up and believes it sees loot in Russia." He denounces Lenin as a "bandit merchant ready to take what he can get in exchange for the heritage of the people, rendered helpless by him and his."

1947: French May Day

PARIS — Disagreement resulted in a split in the French Cabinet, with the Communists holding out for wage increases against the government's policy of keeping salaries frozen. Dissolution of the Cabinet was avoided following a call for a vote of confidence in the government in the National Assembly. Meanwhile, the largest May Day demonstration since the liberation took place with almost 200,000 persons marching to demand higher wages, and with the strike of 30,000 workers at the nationalized Renault automobile plant.

OPINION/LETTERS

An Adolescent Air Force Meddles in Private Affairs

By Richard Cohen

WASHINGTON — Dwight Eisenhower's biographer, Stephen Ambrose, insists the general did not have an affair while commander of Allied forces in Europe. Others, including Harry Truman, thought otherwise. A court-martial would have settled the matter.

Under military rules, General Eisenhower, all five stars of him, could have been accused of adultery and, if found guilty, drummed out of the army. Instead of becoming president, he might have ended his days a lobbyist for some military contractor.

How absurd, I hear you say. I agree. But the general's supposed affair with his driver would have been far more serious than what Lieutenant Kelly Flinn has done.

This pilot, this first woman to fly a B-52, had what the U.S. Air Force preposterously calls an adulterous affair. In the first place, she is not married. In the second place, her lover — a married man who lied about being legally separated — is a civilian, not to mention a cad. Her career is probably ruined anyway.

The 26-year-old pilot says that she is guilty of "mistakes in judgment" but that, to say the least, is not the way the air force sees it. It has instead accused her of having had "sexual intercourse with a married man, not her husband, to the disgrace of the armed forces." If convicted, she could be jailed, dismissed from the air force or demoted. The last is no mere slap on the wrist to a pilot.

It seems to me that that "disgrace of the armed forces" cited by the service is something it has brought upon itself. Instead of limiting its concern to areas where sex can really be a problem — a threat to morale, an abuse of authority — it has gone after officers such as Lieutenant Flinn whose mistake is the stuff of country music songs.

She chose neither an officer nor a gentleman, but a mere civilian. Why is that any business of the air force's?

Last year, the air force alone conducted 67 courts-martial for adultery, up from 16 just nine years before. No doubt, the military has its own, peculiar, needs. When, for instance, men and women not only work in the same place but sleep in the same place, normal civilian rules will not suffice.

But what are the rules governing Lieutenant Flinn's case? I can think of two. Either her commanding officer was afraid not to follow regulations or, more likely, he had it in for her. She was, it seems, something of a celebrity on her base and, moreover, a sexually active woman. I don't know what to suspect here: sexism or Puritanism. Neither one, though, is commendable.

Whatever the answer, the regulations concerning adultery and fraternization have allowed military investigators to snoop into the sex lives of officers and others, asking all sorts of personal questions that should elicit at least a slap in the face. I myself, having perused the relevant documents, now know things about Lieutenant Flinn that, really, I should not.

And Lieutenant Flinn is not alone. In March, yet another female officer, Lieutenant Colonel Karen Tew, was dismissed from the air force for having an affair with an enlisted man. Five days later she killed herself, although no one can say for what reason. Anyone can say, though, that when a 41-year-old mother of two has her sex life aired in public, the experience must be mortifying.

Given that an admiral was convicted of adultery in 1995, it's hard to argue that only lower-ranking officers are targeted. Given that more men than women have been brought up on such charges, it's hard to argue that sexism is the culprit. But it is nonetheless clear that commanders can decide when to bring charges, when to order counseling and when, as has often been the case, to slap the fellow on the back and look the other way. If the rule against adultery was strictly applied, the Pentagon would be a ghost town.

Like an adolescent, the U.S. military apparently is having a hard time with sex. But it is acting out its confusion in ways that are truly disastrous. The prosecution of Lieutenant Flinn for adultery really amounts to a persecution of a woman for being sexually active. Maybe she needs some counseling, but the air force sure needs to grow up.

The Washington Post.

LETTERS TO THE EDITOR

Turkey's Generals

Regarding "Civilian Rule for Turkey" (Editorial, March 26):

This editorial is off the mark. The Turkish Army does not "meddle" in the political process. However, it is its constitutional duty to "intervene" to prevent abuse of democracy and to safeguard the republic against "clear and present dangers" such as terrorism, civil strife and religious reaction.

The Turkish Army is the ultimate guardian of Ataturk's republic. Today, there is the real danger of encroaching religious reaction by Prime Minister Necmettin Erbakan's Welfare Party. If not checked, that reaction might well destroy the secular republic. If that happens, our well-meaning but officious foreign friends will not be able to come to our assistance.

The Turkish armed forces, within their legal rights, have warned the Welfare Party that secular basic laws should not be trifled with and eroded. A large silent majority supports the commanders.

ALTEMUR KILIC.
Istanbul.

Taxes and the Rich

Regarding "How the Rich Stay That Way: By Paying No Tax" (April 19):

This article on legal means people use to avoid American income taxes mentioned the use of the foreign tax credit. But it is important to remember that the foreign tax credit is a way not to escape all taxes, but to avoid double taxation. For example, a taxpayer with income from French real estate is already paying a hefty sum (higher than what the United States would charge) in French taxes; with the tax credit, he is merely being freed from being taxed twice on the same income.

LEE KENT.
Paris.

Celebrating Robinson

An article celebrating Jackie Robinson's debut in Major League baseball ("*Jackie Robinson's Fans: From Mailer to Dinkins to Cuomo, Memories of the First Black to Play in Majors*," *April 16*) quotes a number of people who express their joy at this integration. They consist of a notorious leftist author, the director of the American Civil Liberties Union, the former Democratic mayor of New York City, the former Democratic governor of New York and three other people, whose political tendencies are not clear, but who, it can be assumed, are left-leaning as well.

The implication of this choice is clear: conservatives have no right to celebrate victories over discrimination, a position which is itself a form of discrimination.

HOLT GODDARD.
Hong Kong.

Believing in UFOs

Regarding "For Many Americans, Existence of UFOs is an Article of Faith" (April 5):

The writer smugly dismisses John Mack, the Harvard psychiatrist, as having the view that "if people believe they have been taken by aliens it must be true."

But Dr. Mack is no believer. Indeed, he continually disappoints the UFO fanatics by denying that he is one of them. He is first and foremost a scientist, honor-bound to try to develop theories that fit all of the facts, not only the ones that are convenient. A theory is not a belief.

I transcribed several hypnotic regression sessions used as raw material for Dr. Mack's best-selling 1994 book, "Abduction," and despite the writer's suggestions to the contrary, I never heard evidence of Dr. Mack leading a patient in any particular direction.

JOEL SPEERSTRA.
Gothenburg, Sweden.

Marketing Woodstock™ With Smoke and Mildew

By Christopher Buckley

NEW YORK — A memorandum:

TO: Alan Gerry, chairman and chief executive, Woodstock Nation Inc.

FROM: Zeit & Geist Design.

RE: Your proposal to turn Woodstock festival site you have just purchased into theme park.

The fun will begin 20 miles away on Route 17 (Legal department checking if road can be expanded to eight lanes) with re-

MEANWHILE

creation of huge traffic back-up. Vintage 1969 New York police cars will be posted along the way.

Psychedelically painted school buses will ferry visitors from the satellite parking areas (designated JANIS, JIMI, WAVY GRAVY, ARLO) to the entrance portal, where this time they will need tickets to get in.

Visitors will also be able to arrive via regular flights from New York City aboard Jefferson Airplanes™, the Official Airline of Woodstock Nation™. (Legal advises the Federal Aviation Administration is playing hardball with us on the all-smoking section. Rethink?)

At baggage carousel, visitors will be serenaded with Arlo Guthrie tune: "Don't touch my bags if you please, Mr. Customs Man." Passengers arriving by air will board the Peace Train monorail to the park.

As visitors approach the entrance portal, loudspeakers will play loop of new Country Joe and the Fish song: "Gimme an F! Gimme a U! Gimme an N! What's that spell? FUN!" Entrance will be marked by neon dove-on-guitar logo over portal. (Tie-in with dove "Guitar Bar"?) Roving vendors in period attire will offer official Purple Haze™ breath mints for $5 a "hit." (Tested well in focus group.)

To get to Cow Pasture and Main Stage, visitors will have to pass through concession area. Among items they will be able to purchase:

• Tie-dyed polo shirts with official Woodstock Nation™ logo.

• Peace symbol car hood ornaments (Legal advises Mercedes still threatening trademark infringement action).

• "Dime" and "nickel" bags of Pot-pourri™ (mixture of synthetic hemp-aroma product — Legal is checking — and mud, mildewed blanket and cheap rosé).

Next to Concession Alley will be a life-size display showing hungry, thirsty '69 concertgoers to encourage patronage of the Woodsnack™ stands in the shape of national guard and army helicopters.

Staff, dressed as national guard crew, will toss out updated versions of the 30,000 sandwiches distributed in '69 (traditional avocado and sprouts combined with mozzarella and sun-dried tomatoes). This time, visitors will toss money back.

Land-O-Port-O-San™ will consist of hundreds of replicas of the original portable toilets. These will flush. (Focus group indicated strong preference for up-to-date sanitary conveniences.)

As they continue toward the Cow Pasture and Stage, visitors will experience thrilling historical exhibits and rides, including these:

• Whoops!tock™ — farmer in tractor running over concertgoers in sleeping bags.

• Whoopeestock!™ — young festivalgoers cavorting au naturel in muddy pond. (Tested extremely well among focus group males; Legal checking local ordinances.)

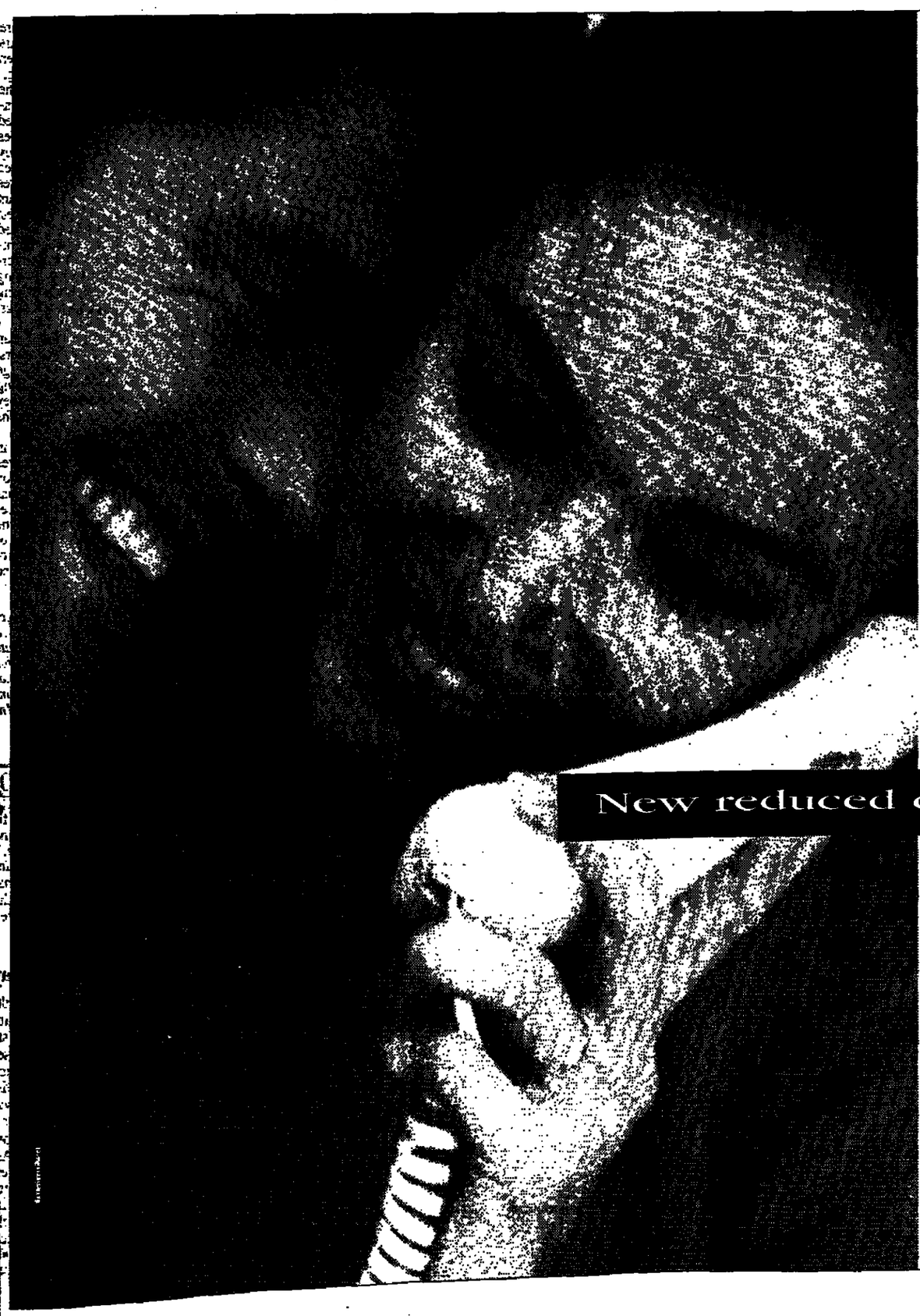
As visitors enter the Cow Pasture and Main Stage, loudspeakers heighten aura of excitement by playing (check song title?) "I Want to Take You Higher" refrain from Sly and the Family Stone.

Main Stage to feature 24-hour music by lookalikes of original performers. Bonus: This time, "Bob Dylan" will show up.

(Per your request, "Pete Townshend" will not destroy guitar after each performance.)

For opening-night extravaganza, negotiate with company that launched Timothy Leary's ashes into orbit to retrofire satellite thrusters so as to bring about atmosphere re-entry over the site, creating "far out" fireworks display. (Legal nervous about debris striking visitors.)

The writer, an essayist and novelist, wrote this comment for The New York Times.



March 1997

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France Telecom

Sea-Swept Galicia: Celtic Potions and a Roman Lighthouse

By Penelope Casas

BAYONA, Spain — Wedged into the northwest corner of Spain, bordered by Portugal and isolated by the surrounding sea, Galicia is a green region with more than a dozen fjord-like waterways known as *rias*. These inlets, often lined by broad beaches, forests of pine, eucalyptus and chestnut, and small farming plots, bring the Atlantic Ocean inland to create some of the most memorable coastal scenery in Spain.

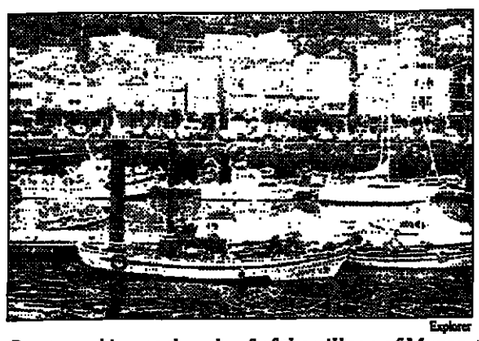
On my first visit to the Galician coast, nearly three decades ago, my husband and I stayed at the government-operated Parador del Albarino in the seaside town of Cambados and happened upon the colorful July 11 San Benitino de Lerez fiesta. A long procession was progressing at a snail's pace through the narrow streets of the old quarter with the image of San Benitino, as St. Benedict is affectionately called in Galicia, held high. So much paper currency had been pinned on his robes by the faithful that he looked like a large, well-feathered bird.

We saw men festively dressed in white shirts, cherry red vests, fringed sashes, black gaiters and cropped trousers reminiscent of Scottish kilts. Indeed, many were playing folk music on their Galician bagpipes (*gaitas*), to which the public responded by dancing the *muneira* — so akin to Gaelic dance that an Irish-American friend with us joined in with a jig.

Each of our 10 visits to Galicia reinforced our initial impression that this region has little in common with the Moorish, Gypsy and Jewish ancestry of southern Spain, while exhibiting unmistakable ties to the Celtic people of Ireland and Scotland.

The name Galicia derives from Gallaeci, the Roman name for Celts: *gallegos*, as Galicians are called, are fair-haired and light complexioned; their *pallozas* — primitive thatched cottages, some still inhabited — are of Celtic origin, and certain local foods are related to Celtic dishes. *Empanadas*, for example — large double-crusted savory pies — bear a resemblance to English pork pies. *Queimada*, a potent, warming brew made with *orujo* (a grappa-like liqueur) poured into a footed earthenware bowl and set afire, summons up Celtic images of sorcerers stirring their magic potions.

One of the two major series of rias begins at Bayona, an important medieval port but today a quiet place of old porticoed streets and a waterfront promenade. The town is best avoided in August, when it fills with vacationers.



Explorer

Boats rocking at the wharf of the village of Muros.

A Place in the Past

Bayona entered history when Columbus's caravel, the Pinta, landed there in 1493 with word of newly discovered lands. A copy of the ship is anchored in the harbor. But undoubtedly, Bayona's star attraction is its exceptional parador, Conde de Gondomar. An imposing 16th-century castle on a wooded promontory, it is surrounded by concentric defensive walls adorned with Habsburg coats of arms.

On our trips to coastal Galicia, we generally bypass the large industrial city of Vigo on the Ria de Vigo as we proceed northward, although many swear by its beaches, restaurants and tapas bars and enjoy the natural beauty of the Cies Islands wildlife sanctuary. But we do like to pause in Hio to admire an extraordinary *cruceiro*, a type of tall stone cross at road junctions and in town squares. Hio's 19th-century cross is intricately carved from its base, depicting souls in purgatory, to its top, which tells the story of the descent from the Cross.

The old quarter of the provincial capital of Pontevedra on the next estuary, Ria de Pontevedra, is among the best preserved in Spain; few squares can match the charm of the diminutive Plaza de la Lena, with a cruceiro at its center and simple centuries-old houses with wooden balconies on three sides.

Under the golden stone arches of the Plaza de Teucro, a market takes shape each morning. Country women arrive with home-grown produce carried on their heads, everything from sacks of potatoes to wonderful cow's milk cheeses, enormous rounds of moist, dense rye and corn breads, and fresh vegetables like *grelos* — a close relative of collard greens that is used in many local dishes.

I have often enjoyed Pontevedra's parador, a cozy 18th-century *pazo*, as the region's stone manor houses are called, and savored the excellent tapas at O'Merlo, including braised quail, meatballs and an array of vegetable salads.

Granite finds many uses in Galicia, and in Combarro, about four miles west of Pontevedra, we found a most curious application. Along hilly alley-like streets, porticoed houses descend to dozens of *horreos* — stone granaries on stilts topped by crosses — that hug the waterfront.

They look somewhat similar to chapels, but their origin is unclear; some believe that they began as primitive Celtic dwellings. We have seen horreos all over the area, but their concentration here has made Combarro a national monument.

The isle of La Toja, just over a fanciful turn-of-the-century bridge from El Grove, is a secluded getaway that features a Belle Epoque hotel, a casino and a spa famed for the waters of its natural springs.

It is said that the waters' restorative properties were discovered when a man left his dying donkey on La Toja, only to return and find him the picture of health.

Noya and Muros occupy another ria and the streets of Noya are lined with historic churches and palaces from more illustrious times.

The estuaries become narrower near the barren, forlorn cape of Finisterre, awesome to the original Celtic invaders, who believed they had reached the end of the earth. La Coruna is a city of about 250,000 inhabitants set on a rocky peninsula at the mouth of the boot-shaped Ria de Betanzos.

Although the city has oil refineries with smokestacks, once we approached the old quarter the streets enveloped us in the past. Narrow back streets are a darkly evocative medieval world of crested mansions, stately squares, intimate corners and Romanesque churches.

GOTHIC GATEWAYS A mile or so away stands the 2,000-year-old Tower of Hercules, the only Roman lighthouse still in use, and a short distance to the east the town of Betanzos. It is entered through three Gothic gateways that remain from the town walls. In the church of San Francisco is the magisterially carved tomb of a medieval nobleman, Fernan Perez de Andrade, supported by a sculpture of a bear and a boar.

As one travels north, the rias become less populated and cliffs rise abruptly from the open Cantabrian Sea, affording formidable views.

The rias end at the Ria de Ribadeo. As we crossed into neighboring Asturias, the distinctive Galician coast — and culture — seemed to vanish into the misty sea air.

Penelope Casas, the author of "Discovering Spain," wrote this for The New York Times.

The Big Apple Reopens a Spruced-Up Plant Conservatory

By Paula Deitz
New York Times Service

NEW YORK — Few moments equal the steamy calm after a tropical storm, with the soft music of water droplets being shed by hundreds of saturated trees. During just such a moment of horticultural theater in the New York Botanical Garden's newly restored Enid A. Haupt Conservatory, it was transfixing to stand still and listen. Clouds of moisture from the high-tech misting system had re-created the lushness of the jungle among the mahogany and kapok trees, the banana plants and chocolate trees of the Lowland Tropical Rain Forest.

The forest is one of four "biomes," or environments, in the splendid Victorian greenhouse in the Bronx — the largest of its kind in America. Reopening to the public on Saturday after a four-year, $25 million rehabilitation, the conservatory is the centerpiece of the garden's seven-year plan for renovation and renewal. Its 17,000 panes of glass were replaced by hand. The huge plant collection, now numbering 3,000, in this museum of horticulture has also been reinstalled, and a spacious café now stands in the spruce grove near the conservatory.

A World of Plants, as the new installation is called, begins in the Palms of the Americas Gallery, under the 90-foot-high (28-meter) dome of the entrance rotunda. Visitors move from there through 10 connecting pavilions and four environments — from lowland and upland rain forests to deserts of the Americas and Africa.

Here, the intimate contact between visitors and plants is greater than ever: brushing away the banana leaves as you make your way through the rain forests and smelling the sweet scent of jasmine in the subtropical pavilion takes you about as far from the urban bustle of New York as it is possible to get.

Around the World

Essentially, the exhibits constitute scientific laboratories in the guise of a trip around the world, and their beauty and drama derive from the patterns found in nature by the scientists who have traveled to the Amazonian rain forests or African deserts to collect plants for research. (The Botanical Garden counts at least 1,000 such expeditions in its history, and its role as a scientific institution is at least as important as its role in providing a green haven for the public.) Frequently, the botanists themselves talk about their experiences on the informative taped tour.

The conservatory's curved ceilings of glistening new glass open to clouds and blue sky are direct descendants of two monumental glass structures in England. Richard Turner's 1848 Palm House at the Royal Botanic Gardens in Kew and the Crystal Palace designed for the 1851 Great Exhibition in London by Sir Joseph Paxton constituted a revolution in architectural technology that has informed every similar structure since.

Conceived as a storehouse for the conservation of tropical plants collected on expeditions all over the world, the Palm House became a romantic setting establishing a Victorian fad for palm-filled conservatories.

Two young members of the Torrey Botanical Club of New York, a Columbia professor, Nathaniel Lord Britton, and his wife, Elizabeth, took a belated honeymoon to England in 1888 and roamed around Kew Gardens for many pleasurable hours. Her longing for a garden "just like that" translated into the founding in 1891 of the New York Botanical Garden, with Mr. Britton becoming its first director.

In Europe, leading botanical gardens found their genesis in royal properties or major universities; but in New York City, the club started its garden from scratch in Bronx Park, a 250-acre (101-hectare) site that included the former estate of Pierre Lorillard, the tobacco merchant.

Beginning with virgin territory — a 40-acre 17th-century forest is one of the garden's major scientific and scenic assets — the first master plan included the Lord & Burnham Conservatory, which was completed in 1902 (the restoration architects are Beyer Blinder Belle).

The conservatory, with its prominent domed Palm House, balanced the Garden's 1901 Museum Building, with its central dome, designed by Robert Gibson, architect of the Cartier building on Fifth Avenue in Manhattan. Both structures display leafy Corinthian pilasters.

ARCHITECTURAL SPLENDOR Generally, visitors are so focused on the gardens and greenhouse displays that few are aware of the garden's architectural legacy, from 19th-century industrial buildings and cottages in fieldstone to these magnificent Beaux-Arts designs.

This year, as part of the 1993-1999 master plan (which includes a children's adventure garden to open in 1998), under the direction of Gregory Long, the energetic president, the Garden has added a new building to this complex. Designed by Jacquelin T. Robertson and John Kirk of Cooper, Robertson & Partners, this simple, solid brick orangery with immense arched windows to the ground houses the cafe that seats 200 indoors and out.

When half of the conservatory first opened in 1900, Mr. Britton is reported to have spent only $100 on the inaugural display of plants.

Many survive today (a kapok tree, for one) at the completion of this restoration (the fourth such project in the building's history, and the largest), during which the glass, steel and wood structure was stripped to its skeleton and rebuilt with aluminum glazing bars.

The suite of display houses — five on either side of the rotunda — form a -C-shaped pattern around outdoor tropical and temperate pools, retaining the balloon-shaped silhouettes that belie their new state-of-the-art interiors. Mist and fog are created on demand, and vents automatically admit fresh air as long as the wind permits.

In the Palms of the Americas Gallery, a visitor begins to understand the dimensions of this undertaking when Joe Kerwin, the manager of the conservatory, who masterminded the plant reinstallation, points out the *Euterpe oleracea* that has crossed the Pacific by barge from Hawaii to take its place here among the slender columns and umbrella canopies of at least 100 species of sister palms and cycads.

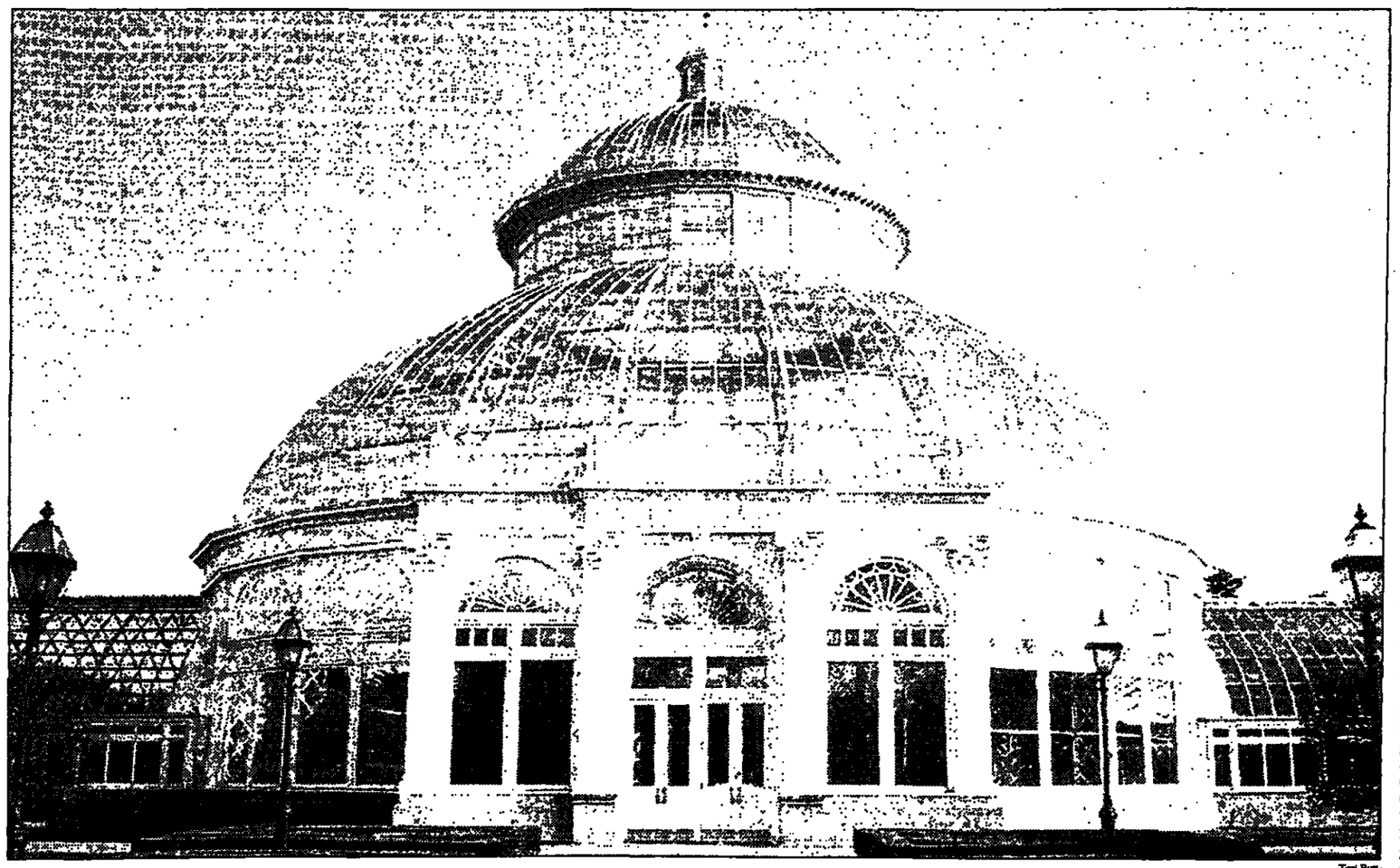
Walking into the Lowland Rain Forest, one sees through a curtain of vines the massive branch of a kapok tree that has been hurled, arch-like, across the path. Kapok trees, among the tallest in the forest, are what make rain forests so dark. But here, the kapok is an artificial, completely convincing creation, the stuff of dioramas; the top of the forest has been brought down to eye level with bromeliads thriving on the tree bark, and the sun pours through the gap to nourish the forest floor.

Emerging from the underground tunnel linking this section with the dry regions of the Americas, Africa and Australia, one focuses on the sculptural quality of plants in these more open pavilions. Along the way are places to sit under a canopy of hanging plants and seasonal displays, as well as plantings of subtropicals such as camellias, olive trees and scented geraniums. At every turn, signs entice even the casual visitor to learn about the Garden's larger missions in environmentalism and economic botany.

The conservatory's seasonal flower displays will continue in two galleries. For the reopening, in a tribute to another New York institution, the Cloisters, the medieval wing of the Metropolitan Museum of Art, the exhibit will be a garden of flowers from the 16th-century unicorn tapestries. In 1941, two of the garden's botanists identified the more than 80 species of plants in the seven Flemish tapestries, and their list provided the basis for the display. Scenes from the tapestries will be recreated in the conservatory.

FROM the garden's new entrance at the Conservatory Gate with its "lollipop" standing clock, the visitor is now led through a triangular circuit described by Gregory Long as "the garden within the Garden." Spring is a particularly good time to make the circuit, when showy tulips — there are 12,000 here — and flowering trees are coming into their own. Beginning with the herb and perennial gardens just starting to bloom, one walks past the conservatory to borders ablaze with tulips and domestic-style demonstration gardens.

Over the next few weeks, the clear glass of the Enid A. Haupt Conservatory will gradually be shaded from the sun with a wash of luminescent pale green. And during celebratory evening events when the interiors are softly illuminated, the dome will glow against the night sky — a newly opalescent jewel in New York City's crown.



Tori Burt

America's largest greenhouse, complete with 17,000 glass panes, has a high-tech misting system and plant "environments" ranging from deserts to rain forests.

Nicolas Ascot/IHT

DINING

Le Grand Vefour: New Life for an Old Landmark

By Patricia Wells
International Herald Tribune

PARIS — It's been a long, long time since I left a restaurant with such excitement over the sheer creativity of a young French chef. Guy Martin has been at the stove at Le Grand Vefour for five years now, and it's clear he has his feet planted solidly on the hallowed ground.

A first glance at the current menu makes you wonder if this isn't sheer folly. Or perhaps nouvelle cuisine dragged out of the mothballs. Salmon with poppy seeds? Oysters with turnips? Squid with sorrel and orange? Lamb dusted with ground coffee? And then, as a grand finale, an artichoke tourte for dessert?

HISTORIC AND CREATIVE Imposing a wildly creative cuisine upon such a landmark as this 18th-century café at the edge of the Palais Royal seems bold to say the least. Most would say pure insanity, sure to fail.

Yet Martin is French and sure of himself. What's more he has the technical ability and maturity to pull it off. Best of all, once his carefully executed creations are on your plate, the visuals, the aromas, the flavors all transport you to a land of culinary bliss. Flavors you expect to bop you over the head just sort of caress your palate, blend with whatever ingredient is playing the starring role at the time. Once you're well into the dish, it doesn't seem weird at all, simply surprising, and satisfying.

Martin's first-course creation of oysters wrapped in thin rounds of turnip — ravioli "lite" — is sublime, brushed with a touch of sesame to give the dish a very welcoming Asian flavor. His poached lobster sauced with a blend of chilies, coriander and pecans sounds like something from a Wild West cooking competition but, oh, does it do the job. The richness of the lobster meat is met head-on by the bold peppers, bright flavor of coriander and the crunch of the pecans.

Main-course nuggets of lamb dusted with coffee comes off as a simply traditional dish of roasted young lamb with an indescribably delicious sauce. Almost like a trained chemist, Martin has figured just how to heighten the flavors of the main ingredient, not compete or camouflage.

BY all means, save room for the cheese tray, which always features some rare entity from the chef's native Savoie, such as the almost extinct, fat, nutty and naturally blue Termingon, a rustic, crumbling cheese with Alpine aromas of grass and wildflowers.

I do part company with the chef in his use of vegetables for dessert. On one visit, a waiter came over to look at my barely touched artichoke tourte flanked by two tiny candied carrots and all I could respond was, "I don't like to see carrots on my plate at midnight."

And there are some things at the "new" Grand Vefour that need attention. The breads are uneven and the vegetables are all but nonexistent (save for dessert) and badly done when they do appear.

The dining room staff deserves a round of applause: Rarely does one witness such a graceful shift from the old-fashioned, nose-in-the-air service of days past to the friendly, congenial service we have come to expect today. The waiters move about the elegant 18th-century dining room with the grace of ballet stars, always attentive yet ever discreet.

Le Grand Vefour, 17 Rue de Beaujolais, Paris 1; tel: 01-42-96-56-27; fax: 01-42-86-80-71. Credit cards: American Express, Diners Club, Visa. Closed Saturday, Sunday and August. 325-franc ($55) lunch menu, 750-franc dinner menu.

MOVIE GUIDE

VOLCANO
Directed by Mick Jackson. U.S.

Biblical calamity is hotter than usual this week, thanks to the explosions, flames, ash and, in the words of one quick-witted newscaster, "what can only be described as — lava!" that level Los Angeles in the happily malicious "Volcano." Another perfect day dawns on cabana men, sun worshipers and roller skaters during this film's opening credits. There's comfort in knowing that the La Brea tar pits will be shooting off flaming meteors before that day is over. "Lava? Here in L.A.?" asks Tommy Lee Jones as Mike Roark, the urban troubleshooter who borrows a last name and a little swagger from "The Fountainhead." The answer, which Jerome Armstrong and Billy Ray were actually paid to write: "It is unlikely. But it is a possibility." Like the substantially better "Twister," this film insists on a thunderous, exhausting pace that inevitably becomes deflating. Pummel an audience this hard during a film's first hour, and the second is sure to be a letdown, no matter how many streets are filled with molten rock. That wouldn't matter if "Volcano" had irony or storytelling to sustain it, but the plot is an afterthought.

Lacey Sebastian

Tommy Lee Jones and Anne Heche in "Volcano."

Without special effects as the main attraction, there would be no movie here at all. *(Janet Maslin, NYT)*

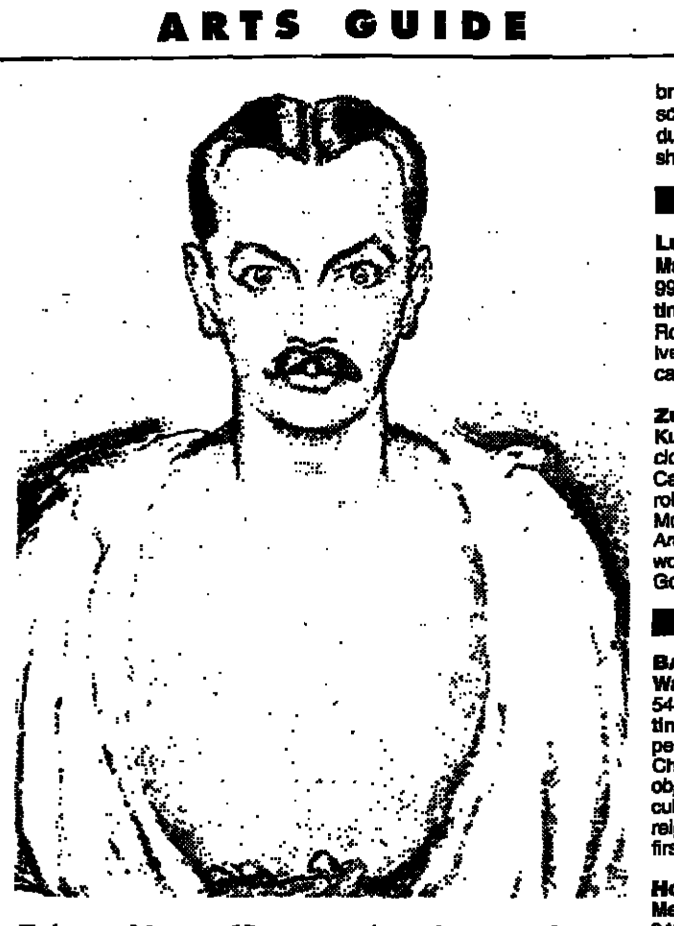
SECRETOS DEL CORAZON
Directed by Montxo Armendariz. Spain.

Secrets, lies, bitterness, discovery and the truth. It's one way to live, or grow up, as the 9-year-old character Javi learns during his beautiful journey across the screen. Montxo Armendariz also wrote the script, masterfully setting the story in his native Navarra region of northern Spain in the 1960s. The young boy has been sent to live with his two bickering aunts in the provincial capital after a terrible death at his family's village home. He gradually learns there is more to life than the truth, and haltingly unlocks the family "secrets." His guides are his attractive mother, his wise uncle and aunt, his grumpy grandfather and his playmates. It is an often hilarious story, finely acted throughout, including the bright-eyed Andoni Erburu as Javi. The rich photography has a close-up style that sometimes gives the feeling of a cross between film and live theater. In this film, only his fifth since 1984, Armendariz continues his odyssey of going much deeper than the topical to present a lesser-known slice of Spain. Here, he achieves a universal appeal. *(Al Goodman, IHT)*

THE DAYTRIPPERS
Directed by Greg Mottola. U.S.

Eliza D'Amico (Hope Davis) lives on Long Island and thinks she is happily married to Louis (Stanley Tucci), who works in Manhattan. Then she finds a letter that was apparently written to her husband and is signed "Love forever, Sandy." Even more surprising than where this situation leads "The Daytrippers" is the way Eliza decides to tackle it: with her whole family. The Malones turn out to be the secret weapon of Greg Mottola's spirited, expertly acted first feature. Eliza's family all pile into the station wagon and head for Manhattan. They mean to march into Louis's Park Avenue publishing office and help Eliza while she demands an explanation. Mottola, who wrote and directed this film and shot it in 16 days with a vigor that shows on screen, knows his territory. He appreciates the Malones both on their own turf and in the wilds of Manhattan. As Mottola tackles the technical challenge of keeping this story busy and moving it energetically around town, he adds a couple of subsidiary interludes that are meant to amplify the main action but don't truly go anywhere. The film bogs down slightly at times. Still, the main action is bright, real and poignant enough to make this journey worth the ride. *(Janet Maslin, NYT)*

ARTS GUIDE



Koloman Moser, a Viennese painter, in Amsterdam.

AUSTRIA

VIENNA

Kunsthistorisches Museum, tel: (1) 525-24-403, closed Mondays. **Continuing/** To May 25: "Vittoria Colonna: Dichterin und Muse Michelangelos." An exhibition devoted to Vittoria Colonna, the 16th-century Italian poet, who was in the confidence of popes and emperors and who had a close relationship with Michelangelo.

Palais Liechtenstein, tel: (1) 317-6900, closed Mondays. To June 8: "Nahum Tevet." The Israeli artist (born 1946) puts together installations made from painted wood and plexiglas stools, tables and easels.

BRITAIN

CAMBRIDGE

Fitzwilliam Museum, tel: (01223) 332-900, closed Mondays. To June 29: "Shakespeare and the Eighteenth Century." Interpretations of Shakespearean texts by George Romney, James Barry and William Blake and portraits of actors, playwrights and composers associated with Shakespeare.

EDINBURGH

Scottish National Gallery of Modern Art, tel: (0131) 332-2266, open daily. To Nov. 9: "Picasso." 25 oil paintings, etchings and drawings ranging from a Blue-Period painting of 1902 to an erotic drawing of 1967.

LONDON

Design Museum, tel: (0171) 403-6933, closed Sundays. To Oct. 12: "The Power of Erotic Design." From Aubrey Beardsley's "Salome" to erotic sculptures kept by Freud in his Vienna consulting room to furniture and photographs by Carlo Mollino to advertising campaigns in which sex sells, the exhibition defines the erotic in society's cultural and structural context.

Tate Gallery, tel: (0171) 887-8732, open daily. **Continuing/** To June 8: "Hogarth The Painter: A Celebration of the Tercentenary of his Birth." William Hogarth (1697-1764), as a painter.

FRANCE

PARIS

Mona Bismarck Foundation, tel: 01-47-23-38-88, closed Sundays and Mondays. To June 28: "Arts Rituels d'Oceanie: La Nouvelle Irlande." On loan from the Barbier-Mueller Museum in Geneva, more than 40 statues, masks and objects from New Ireland, a group of islands that are part of the Bismarck archipelago, northeast of Australia.

Musee des Arts Decoratifs, tel: 01-44-55-57-50, closed Mondays and Tuesdays. To May 11: "Violeta Parra: Hommage." 15 tapestries and 30 small oil paintings by the Chilean singer, painter and weaver (1917-1967), whose work reflects the suffering and the hopes of her country.

Musee du Louvre, tel: 01-40-20-51-51, closed Tuesdays. To July 21: "Des Mecenes par Milliers: Un Siecle de Dons par les Amis du Louvre." Brings together paintings and sculptures donated to the museum over the last century.

Musee Rodin, tel: 01-44-18-61-10, closed Mondays. To June 15: "Vers l'Age d'Airain: Rodin en Belgique." Brings together paintings, caricatures and sketches in red chalk created by the French sculptor (1840-1917) while he was in Belgium between 1871 and 1877.

GERMANY

MUNICH

Aktionsforum Praterinsel, tel: (89) 2916-0875, closed Mondays. **Continuing/** To May 19: "Robert Rauschenberg: Haywire." Highlights from Rauschenberg's series of technological works created since the 1960s.

TUBINGEN

Kunsthalle Tubingen, tel: (7071) 9691-0, closed Mondays. To May 25: "Robert Longo." Longo (born 1953) displays his Magellan project, a series of 366 pictures in chalk, charcoal and ink on parchment that were inspired by newspapers or personal photographs.

ITALY

MILANO

Fondazione Antonio Mazzotta, tel: (2) 878-197, closed Mondays. **Continuing/**To June 29: "Otto Dix." 180 works by the German painter and graphic artist (1891-1969).

JAPAN

TOKYO

National Museum of Modern Art, tel: (3) 3214-3305, closed Mondays and May 6. **Continuing/** To May 11: "Tetsugoro Yorozu." The Japanese artist (1885-1927) developed a style that was influenced by the Cubist and Fauve movements from Europe.

YOKOHAMA

Yokohama Museum of Art, tel: (45) 221-0300, closed Thursdays. To June 15: "Pompei: Picta Fragmenta Decorazioni Parietali della Citta Sepolta." Murals that were unearthed at Pompeii, the Roman city destroyed by the eruption of Mount Vesuvius in A.D. 79.

NETHERLANDS

AMSTERDAM

Van Gogh Museum, tel: (20) 570-5252, open daily. To June 15: "Vienna 1900: Portrait and Interior." Viennese art between 1870 and 1918. Features works by Klimt, Egon Schiele, Gerstl, Otto Wagner, among others, as well as furniture and objects.

ROTTERDAM

Kunsthal, tel: (10) 440-0301. To June 8: "The Early Mondrian." More than 140 paintings, drawings and watercolors by the Dutch painter (1872-1944).

THE HAGUE

Het Paleis, tel: (70) 338-1111, closed Mondays. **Continuing/** To May 9: "The Golden Age of Danish Art." Masterpieces from Danish museums that show how, over these 50 years, attention shifted from the classicism of the sculptor Thorwaldsen (1770-1844) to the Romantic landscapes and group portraits painted in Italy and Denmark.

SPAIN

BARCELONA

Museu Picasso, tel: (3) 319-6310, closed Mondays. **Continuing/**To June 29: "Andre Derain, 1904-1912." The latest in a series of exhibitions devoted to artists who were influenced by Picasso. It brings together 60 paintings, sculptures and drawings created during the years of a great friendship between the two artists

SWITZERLAND

LUGANO

Museo d'Arte Moderna, tel: (91) 994-4370, closed Mondays. **Continuing/**To June 22: "Georges Rouault, 1871-1958: Retrospective." More than 120 works by the catholic painter.

ZURICH

Kunsthaus, tel: (1) 251-6765, closed Mondays. To June 1: "Das Capriccio als Kunstprinzip." The role of whimsical imagination in art. More than 100 paintings from Arcimboldo to Turner, and 150 works on paper from Callot to Goya.

UNITED STATES

BALTIMORE

Walters Art Gallery, tel: (410) 547-9000, closed Mondays. **Continuing/**To May 18: "The First Emperor: Treasures From Ancient China." The exhibition features 80 objects reflecting the history and culture of ancient China during the reign of Ch'in Shih Huang-ti, the first emperor (221-210 B.C.).

HOUSTON

Menil Collection, tel: (713) 525-9400, closed Mondays and Tuesdays. To Aug. 31: "Braque: The Late Works." Features 45 paintings by the French Cubist painter (1882-1963) and includes examples from the cycles of his mature years as well as a selection of interiors and small landscapes.

NEW YORK

Museum of Modern Art, tel: (212) 708-9400, closed Wednesdays. *Continuing/To May 18:* "Manuel Alvarez Bravo: A Retrospective." More than 175 works by the Mexican photographer that bring to life his journeys through mystery and surrealism.

CLOSING SOON

May 4: "Lumieres de l'Orient Chretien." **Musee d'Art et d'Histoire, Geneva.**
May 4: "Oeuvres Recuperes apres la Seconde Guerre Mondiale et Confiees a la Garde des Musees Nationaux." **Musee d'Orsay, Paris.**
May 4: "Lovis Corinth." **Tate Gallery, London.**
May 4: "Materiali dell'Arte: Ricerca e Sperimentazione in Italia dagli anni Sessanta ad Oggi." **Galleria d'Arte Moderna, Bologna.**
May 4: "The Florene M. Schoenborn Bequest: Artists of the School of Paris." **Metropolitan Museum of Art, New York.**
May 4: "Six Centuries/ Six Artists." **National Gallery of Art, Washington.**
May 5: "Magie der Zahl." **Staatsgalerie, Stuttgart.**
May 5: "Felix Nussbaum, 1904-1944: Pictures From There." **Israel Museum, Jerusalem.**
May 5: "From the Glorious Habsburgs to the 20th Century." **Sogo Museum of Art, Yokohama.**
May 5: "London's Monets." **National Gallery, London.**
May 6: "Contemporary Satirists." **Royal Academy of Arts, London.**

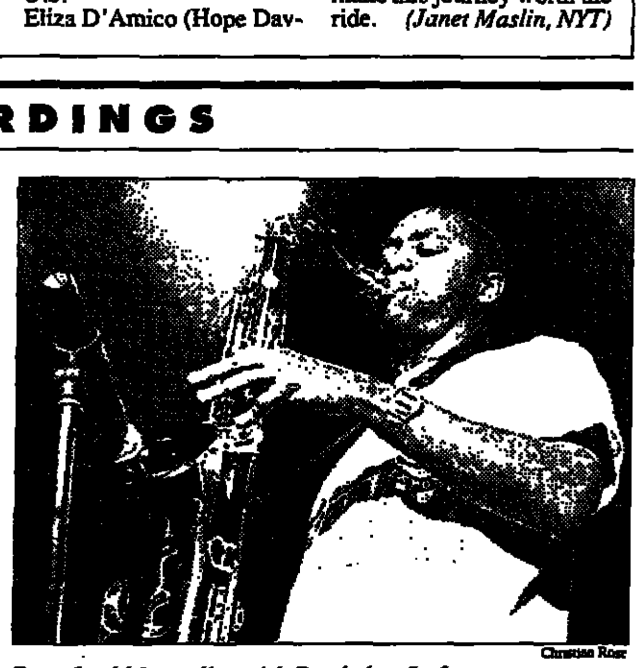
RECORDINGS

THE ALAN LOMAX COLLECTION (Rounder): Lomax recorded, produced and edited definitive versions of folk and traditional music from the United States, the Caribbean, England, Scotland, Ireland, Italy and Spain. Without his explorations there would have been no blues explosion and probably no rock and roll. He also gave birth to the "World Music" phenomenon. Titled "Southern Journey," volumes 1 to 6 of a CD reissue series were released in April. They evoke the pre-electronic rural South — blues, shouts, ballads, reels, hymns, chanteys, work songs, spirituals, songs of outlaws and desperadoes.

ANNIE WHITEHEAD "Naked" (EFZ): A veteran of the horn section of the big-time reggae band Aswad, Whitehead is an articulate British trombonist with touches of Don Drummond, Rico and Jimmy Knepper. Her concept goes from the Congo to the Caribbean by way of outer space.

BUCKSHOT LEFONQUE "Musical Evolution" (Columbia): Branford Marsalis, the tenor-playing power behind this muscular big band, has been taking a direction diametrically opposed to that of his younger brother Wynton. Branford's fusion of the pop spectrum bounces between funk, rock, rhythm and blues, jungle and jazz. The actor Laurence Fishburne and the poet Maya Angelou recite, Branford's younger-yet brother Delfeayo plays the trombone and David Sanborn the alto saxophone.

NIELS-HENNING-ORSTED-PEDERSON TRIO "Friends Forever" (Milestone): No bassist has a more mature combination of sensitivity and chops than the Danish NHOP. Recorded in Copenhagen, this collection of standards is dedicated to the monster American pianist Kenny Drew, who lived and died there.



Christian Rose

Branford Marsalis, with Buckshot Lefonque.

Mike Zwerin/IHT

BOOKS

JANE AUSTEN Obstinate Heart

By Valerie Grosvenor Myer. Illustrated. 268 pages. $25.95. Arcade Publishing/ Time Warner.

Reviewed by Christopher Lehmann-Haupt

INTRODUCING her sensible and intriguing new biography, "Jane Austen: Obstinate Heart," Valerie Grosvenor Myer warns her readers that they ought not to take too seriously the saintly portrait of "gentle Jane" foisted on posterity by her family through censorship, selective reminiscence and hype. "Her relatives emphasized her attachment to family," Myer writes, "but while Jane Austen cannot be understood in isolation from her relatives, the account of her they handed down to us should be taken with a large pinch of salt."

Myer's caution comes a little late in the day, considering that a dozen years ago John Halperin, in his "Life of Jane Austen," (1988), set out to demolish Austen's benign image with a relentlessly unsympathetic reading of her character.

Myer doesn't list Halperin's book among the six dozen works in her "Selective Bibliography," but this is probably less that she is unaware of it than that her approach to Austen is so different from his. She may seem at first to be offering as one-dimensional a view of Austen as Halperin did: For instance, her subtitle, "Obstinate Heart," refers to nothing more than Austen's well-known refusal to marry for less than love. And in her preface, Myer announces flatly that because Austen was never secure financially or socially, and "spent her entire life as a poor relation," hers "was a life of disappointment and frustration."

But as her portrait develops, she presents Austen as a highly complex woman, by turns frivolous and poker-stiff, affectionate and spiteful, generous and filled with envy, earthy and refined; in short, as rich in character shadings as the world of her fiction suggests.

Offering little in the way of new evidence, Myer covers familiar ground. She relies, like previous biographers, on Austen's letters (or what has survived of them), on the memoirs of Austen's relatives and on all that is known of the years Austen lived, 1775 to 1817. She treats such conventional subjects as Austen's residences, her possible suitors and the production of her novels, which she assumes her readers are familiar with.

But instead of trying to dilate the bare facts — as another biographer, Park Honan, did in his "Jane Austen: Her Life" (1988) by imagining certain scenes — Myer breathes life into them by placing them in a more detailed context. For instance, on the subject of Austen's beautiful, small handwriting, she digresses to the high cost of postage and the need to save paper by techniques like double-crossing, or writing perpendicularly across the original message, sometimes in a different color, for clarity, as in a "black and red letter" Austen received from her brother Charles in 1813.

In a similar vein, Myer — the author of books on Charlotte Bronte, Laurence Sterne, Margaret Drabble and Samuel Richardson — writes about the dances Austen knew, the games she played, the furniture she sat on (uncomfortable even in grand houses), the mud (full of horse manure), the labor of preparing the meals she ate.

Detail by detail a palpable world builds up, so that when Austen does put in an appearance it is all the more vivid, as for instance when Myer writes: "It is Marianne," a niece of Austen's, "we have to thank for the memory of Jane sitting quietly in the library Godmersham, her sewing on her lap, saying nothing for a long time. Suddenly Jane would burst out laughing, jump up and run across the room to find pens and paper and write something down. Then she would return to her fireside seat and go on stitching quietly as before."

Not exactly the material for a Paris Review interview on the art of fiction, but enough to be grateful for.

Myer also takes pains to describe the landscape of the places Austen lived, and in this she is probably aided by the recent spate of film adaptations of Austen's books. These help you to visualize what Myer is describing, and make understandable the shock to Austen of having to move from Hampshire to Bath when her father decided to retire in 1801.

AUSTEN lived in a circumscribed world, never having traveled abroad or farther north in England than Staffordshire, as far as scholarship can tell. She died at 41 of either Hodgkin's disease or more likely Addison's disease, as far as retrospective diagnosis can determine.

Yet by revealing her many contradictory aspects, Myer has transformed what could have been a chiaroscuro of praise and blame into a full palette consistent with the richness of Austen's fiction. As with other biographies of Austen, we rarely glimpse her directly in Myer's pages. But her shadow is so palpably present that you find yourself wishing for just a moment that more biographers knew as little about their subjects as Myer does, that they had to work with the same handicaps that she has so impressively overcome.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

THE Inter-Club Contract Bridge League was founded in 1933. The league probably has the world record for continuous activity, since older institutions like the Austrian Bridge Federation were in hibernation during World War II.

This year's individual championship was won for the third straight year, a record, by Sam Guzzardo of the New York Athletic Club. He won in spite of the first deal, shown in the diagram.

He climbed ambitiously to seven diamonds, using the grand slam force to ask for two of the top three diamond honors. After ruffing the opening club lead, he realized that his prospects were not good.

Guzzardo erred by drawing trump with the king, queen and ace. He then played hearts, but when that suit failed him he had to go one down.

Since he had to assume a 3-2 trump split, a better play would have been to test hearts immediately. This could be done in two ways, and South can survive in each case.

Suppose he chooses to cash the heart ace, throwing a club, and ruff a heart. If the queen appears, he can simply draw trumps, but when the hearts prove to be divided 5-1, he needs a small miracle, which is forthcoming. He must ruff a club, draw trumps and cross to the spade king. Then he can throw dummy's remaining club on the heart winner and take a spade finesse. This makes the grand slam.

However, this play leaves South guessing what to do next if both opponents follow low on the second round of hearts. He will not know whether the suit is established. So there is an argument for playing both top hearts immediately.

As it happens, West ruffs the second heart winner. South overruffs, ruffs a second club and plays a heart for another ruff. He will then be able to ruff a third club, and eventually draw trumps and use the spades to make his contract. An attempt by West to upercut with the six and jack of diamonds does not succeed.

NORTH
♠ A J 10 9 6
♥ —
♦ K Q 9 5
♣ J 9 4 2

WEST
♠ Q 7 2
♥ 10
♦ J 6 2
♣ A K Q 8 7 5

EAST
♠ 8 4 3
♥ Q 7 6 4 2
♦ 7 3
♣ 10 6 3

SOUTH (D)
♠ K 5
♥ A K J 9 8 5 3
♦ A 10 8 4
♣ —

Neither side was vulnerable. The bidding:

South	West	North	East
1 ♥	2 ♣	2 ♠	Pass
3 ♦	Pass	5 ♦	Pass
5 N.T.	Pass	7 ♦	Pass
Pass	Pass		

West led the club ace.

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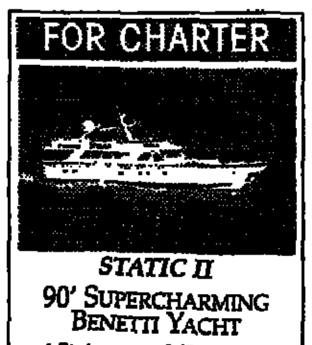

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FRIDAY, MAY 2, 1997

Soros Foundation Faces $3 Million Fine in Belarus

Financier Says Government Aims to Close It

Compiled by Our Staff From Dispatches

NEW YORK — The government of Belarus has imposed a $3 million fine on the Belarussian Soros Foundation for alleged currency-exchange violations in an apparent effort to shut down the country's largest independent nongovernment organization, spokesmen for the foundation said Thursday.

The fine follows what foundation officials in New York called a monthlong campaign of harassment against the foundation, which supports education, ecological and medical programs.

The foundation also supports independent civic groups and activists, some of whom have been critical of President Alexander Lukashenko's efforts to suppress opposition opinions in Belarus, a former Soviet republic of just over 10 million people.

Belarussian tax officials, after a monthlong audit of the group, issued the fine after an audit concluded that the foundation had violated its status as a charitable organization by supporting unsanctioned opposition rallies.

The government said the organization had also taken other actions that Belarus state television called "an intervention in Belarus' domestic affairs."

George Soros, the international financier and philanthropist whose money supports the foundation, called the government's charges "totally without merit." He said the fine was a "blatant attempt to close the foundation by imposing an exorbitant penalty for nonexisting infractions."

Mr. Soros said the foundation would not pay the fine while it appealed the government decision.

"It is not meant to be paid," Mr. Soros said of the fine. "It is meant to close us down. And it is part of a concerted campaign by Lukashenko to consolidate his power by suppressing the independent sector in Belarus."

Tax inspectors began an audit of the group's Belarus office in March, when the government criticized the foundation's activities and barred its director, Peter Byrne, from returning to the country.

Belarus had accused Mr. Byrne of intervening in the country's affairs by taking part in the opposition's rallies.

The tax committee said the foundation had "made big profits through sales on the currency exchange due to inflation and changes in exchange rates."

A spokeswoman for the Soros foundation, Veronica Begun, said the Belarus government's audit had said 19 grants last year did not correspond to their stated goals.

Auditors said that because the grants were not charitable in nature, the fund should have paid various taxes, including the recipients' income taxes. The sum they demanded equaled almost $3 million, she said.

Government officials were not available for comment Wednesday, which was the start of a national holiday period.

Responding to tax officials' accusations that the foundation had profited from its activities, Ms. Begun said, "We do not even know what they mean. It is completely absurd."

Ms. Begun said the fines amounted to about half of last year's $6 million budget. The foundation has given more than 4,000 grants since it was established four years ago in Belarus.

An open letter from Mr. Soros's Open Society Institute in New York called the allegations "without merit" and "clearly designed to force the BSF to shut down."

The letter also said that the fine had come "at the end of a monthlong campaign of harassment directed by the government against the foundation."

Mr. Lukashenko, whom the opposition accuses of dictatorial methods, has on several occasions accused the foundation of interfering in the internal affairs of the country.

He also has issued a decree calling the foundation's tax-exempt status into question.

Representatives of the Open Society Institute say that in the past four years, the Belarussian Soros Foundation has provided more than $13 million to support development in education, science, Internet connections and civic organizations.

In January, authorities in Croatia filed tax-evasion charges against Mr. Soros's foundation. Those charges also were denied.

Mr. Soros, a native of Hungary, funds many economic and cultural projects in former Communist countries.

(NYT, AFP, AP)

Jacqueline Arzt/The Associated Press

The Labour Party leader Tony Blair, left, with Gordon Brown, his shadow chancellor of the Exchequer.

Labour Toes the Line, the Tory Line

By Erik Ipsen
International Herald Tribune

LONDON — British voters went to the polls Thursday knowing little about how a Labour government would run the economy if it came to power, except that it would probably be difficult to distinguish from the way Conservative governments have run the economy for 18 years.

In fact, during this election campaign, Labour has fought for the hearts and minds of voters by firmly outlining what it will not do, particularly its pledges not to raise the income tax or even to turn back the clock on the massive privatizations that became synonymous with Thatcherism.

"Labour has moved massively toward the Conservative agenda," said Ruth Lea, policy director for the Institute of Directors, the traditional arch-Tory lobbying group for small- and medium-sized business. Long seen as quick to tax and quicker to spend, this time around under the flinty gaze of its economic policy director, Gordon Brown, the party has pledged not to raise income taxes.

Even more daringly it promised to hold government spending for the next two years within the exceedingly tight bounds already set out by the Conservatives in their last budget, and to stick to their target of holding inflation below 2.5 percent.

Where Labour has parted company with the Conservatives is over its backing of a minimum wage and the Social Charter, both of which are bitterly opposed by the Conservatives and many business people.

While its detractors see the Social Charter as a sort of open-ended commitment to whatever sorts of prolabor policies gain popularity on the Continent, the fact is that it now contains little that would do much harm beyond such things as setting mandatory leaves for new parents.

Similarly, Labour has de-fanged the minimum wage issue by endorsing the concept but declining to set a precise level. Labour supporters note that America has long prospered with a minimum wage.

In some respects the putative party of change now seeks to outdo the Conservatives in putting the government and the nation on a sound financial footing. Though parsimonious with the details, Labour has nonetheless won over many business people with its newfound probity.

"Having lived through 30 years of booms and busts that have been devastating for small businesses, I must say that if Labour delivers low inflation and stability it will be quite a boon," Ms. Lea said.

Even the notoriously fickle financial markets — where change almost invariably is seen as a negative and Labour almost anathema — have lost little of their luster.

On the eve of a probable sweeping Labour victory, the markets remain buoyant.

On Wednesday the FTSE 100 stock market index briefly hit a record high

See LABOUR, Page 17

Rate Jitters Shake U.S. Blue Chips

But Technology Issues Still Attract Investors

Compiled by Our Staff From Dispatches

NEW YORK — Fresh evidence of a strengthening U.S. economy sent blue-chip stocks down Thursday, but faith that high-technology companies would continue to post strong profits kept the Nasdaq index supported.

The Dow Jones industrial average closed 32.51 points lower at 6,976.48, and the broader Standard & Poor's 500-share index lost 2.81 points, to 798.53. But advancing issues outnumbered declining ones by a 7-to-5 ratio on the New York Stock Exchange, and the Nasdaq index closed up 9.74 points at 1,270.50.

The government said Thursday that Americans' wages and spending both rose in March. This followed data released Wednesday showing that the economy grew at a surprisingly strong 5.6 percent annualized rate in the first quarter.

The strong data could prompt the Federal Reserve Board's policymakers

U.S. STOCKS

to raise interest rates when they meet May 20.

"There's no way the Fed ought not continue to raise rates, and that's going to hurt profits," said Alan Kral, a money manager at Trevor Stewart Burton & Jacobsen Inc.

Higher rates mean higher borrowing costs and debt-servicing costs for companies, which can limit profits.

U.S. companies posted an average first-quarter profit rise of 16 percent, the biggest increase in years, as the six-year economic expansion buoyed aerospace, autos, oil and other old-line industries. But investors are worried that businesses will not be able to sustain that growth.

Treasury bond investors remained unconvinced that rates were headed higher. They focused instead on a report Thursday from the National Association of Purchasing Management, which said its index of manufacturing activity fell in April from March.

The price of the benchmark 30-year issue rose 17/32 point, to 96 13/32, taking the yield down to 6.91 percent from 6.96 percent Wednesday.

In the stock market, investors saw opportunities in computer-related shares and some smaller-company stocks.

"The timing is great right now for smaller-caps," said Robert Perkins, who runs a small-cap fund for Berger Associates. "I don't think you've seen a disparity this wide since 1981 and '82."

Cisco Systems was the most actively traded U.S. stock, rising 1⅝ to 53⅜.

Informix, a maker of computer database software, fell 1/16 to 7¼ after it posted a loss of $140 million for the latest quarter on a 34 percent revenue drop, a far wider decline than expected. Informix's loss appeared to be archrival Oracle's gain as its shares rose.

Adobe Systems, a graphics software writer, jumped 2⅝ to 41¾ after it was selected to enter the S&P 500 index, replacing Santa Fe Gold, which is being bought by Newmont Mining.

Companies often rise on news of their inclusion in the S&P 500, because investors expect demand for the shares to increase as fund managers who seek to replicate the S&P 500 Index's performance will have to buy the shares.

Dell Computer rose 3 1/16 to a 52-week high of 86¾ as the computer company was rated "speculative buy" in new coverage by Sands Brothers & Co. analyst Matthew Russo.

Intel rose ⅝ to 153¾ after it said demand for its MMX chip, which has enhanced graphics capabilities, was the strongest for any processor ever.

"Intel has got to be one of the cheapest of the great growth companies in the world," said Marshall Front, chairman of Trees Front Associates Inc.

Cambridge Heart fell 2 to 7½ after the company said it was delaying applying for U.S. approval to make additional claims for its heart diagnosis technology.

Coca-Cola fell 1½ to 62⅛ on news the beverage company's joint venture with Carlsberg AS to distribute Coke products in Scandinavia would be investigated by European Commission antitrust regulators. *(Bloomberg, AP)*

Thinking Ahead /Commentary

For Business, No More 'Mr. Bad Guy'

By Reginald Dale
International Herald Tribune

WASHINGTON — In the mid-1960s, the image of U.S. business took a dramatic turn for the worse from which it has not yet fully recovered. Multinational corporations were denounced as villains by a generation of protesters against the Vietnam War, many of whom, like President Bill Clinton, now hold influential positions in American society.

While prime-time television predominantly portrayed business executives as good guys until 1965, according to sociological researchers, since the 1970s Hollywood has much more often depicted them as thugs and murderers.

Since then, capitalism has triumphed in the Cold War, multinational corporations have helped to spread prosperity around the globe, and many of today's companies are behaving better in most respects than ever before. But the villainous image of business has proved remarkably durable. The caricature of greedy multinationals ruthlessly exploiting the world's workers still holds wide sway in the popular imagination as if nothing had changed in 30 years. The last thing you would expect most of today's top executives to be called is "socially responsible."

Corporations' villainous image, though outdated, has proved durable.

And yet, more and more American corporations are trying to be just that. They are increasingly pursuing policies that reflect the political values of their harshest critics.

In just the past few weeks, major corporations — including some of those, like Nike Inc., who are most often attacked for their labor practices — have joined international campaigns to crack down on sweatshops and child labor in developing countries.

This week, some of the country's best-known companies, including AT&T Corp., International Business Machines Corp. and Walt Disney Co., flocked to a flashy conference on "volunteerism" in Philadelphia to offer their money and their personnel to help good causes such as the care of deprived young people in inner cities. But that is only the tip of the iceberg: Large numbers of American companies have been quietly laboring for years to be good citizens in their own communities.

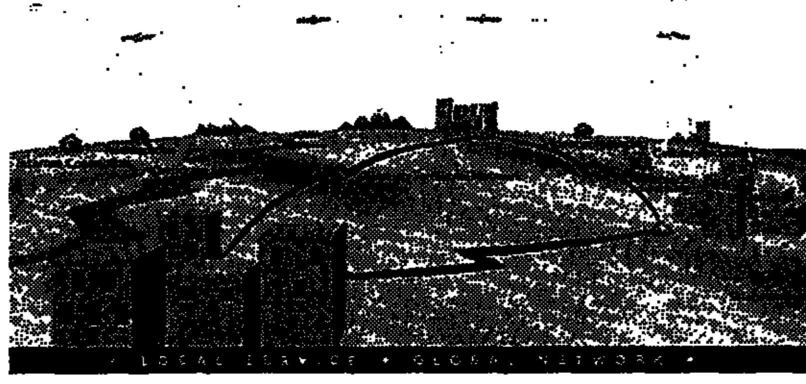
Many multinationals now have codes and policies requiring them to follow their "best practices" in environmental protection and labor relations everywhere they operate around the world. Others want investors to know that they are promoting jobs for women and ethnic diversity.

Of course, cynics say that corporations are only embracing ethics because it is good for business: Hispanics, for instance, may be hired to promote exports to Latin America, and labels certifying that goods are produced in environmentally and socially correct conditions are intended to improve sales in American malls.

That is obviously true as far as it goes — although few companies are able to measure the precise commercial advantages of good corporate citizenship. More often, companies speak broadly about the long-term benefits to their image and to the economy in general. But most companies are not just doing good deeds for the money. Despite its commitment to maximum returns for shareholders, American business practice often contains an ethical streak similar to that which runs through American foreign policy. It is part of the culture.

Of course, for the most hardened critics it is never enough. As Michael Novak of the American Enterprise Institute puts it, many people educated in the humanities and the social sciences still think of business as "vulgar, philistine and morally suspect."

But most companies realize that over the long run it will do them no good to flout the standards of the society in which they operate. Good business and good behavior are increasingly seen as two sides of the same coin. Mr. Clinton, who spoke at the Philadelphia conference, should tell his Hollywood friends that times have changed.



Bill Gates and Craig McCaw want to establish an 'Internet in the Sky.'

Billionaires and Boeing Flesh Out 'Sky Net' Vision

By Mike Mills
Washington Post Service

WASHINGTON — A plan by two billionaires to build an "Internet in the sky" that would use hundreds of low-orbiting satellites to transmit data and conversations all over the world has turned from a starry-eyed vision to a work in progress.

Bill Gates, chairman of Microsoft Corp., and Craig McCaw, a pioneer in cellular telephones, on Tuesday awarded their Seattle-based neighbor Boeing Co. a $9 billion contract to coordinate the building of their pet project, called Teledesic. The company plans to begin high-speed two-way service in 2002. Prices would be comparable to today's $20-a-month rates for comparatively low-speed access, the company said.

The contract is the biggest ever in the commercial-satellite industry. It is intended to bring closer an era of "personal" communications in which people could travel anywhere — even into the most remote regions of the world — and use a satellite telephone or link a computer to the Internet without any wires.

The project, in which Boeing will invest $100 million of its own money, was greeted as a potential lift for the aerospace industry because most major aerospace firms would be involved as subcontractors on large components.

"Before, people really discounted whether Teledesic was going to be viable," said John Hodulik, an analyst with Lazard Freres & Co. "Now it's certainly more likely to happen. The fact that Boeing is committing capital is important."

While Teledesic's breadth is unique, it is hardly alone in its desire to offer Internet access over satellites. Recently, Loral Space & Communications Ltd. and the French company Alcatel Alsthom SA joined to build and launch Alcatel's $3.9 billion system of 64 low-orbiting satellites known as SkyBridge. That system may be combined with Loral's Cyberstar system of four geostationary satellites. Motorola Inc. also plans a $6 billion low-orbiting system called M-Star.

Fifteen companies, including Loral,

See SKY, Page 17

CURRENCY & INTEREST RATES

Cross Rates

April 30 - May 1

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9285	3.1475	1.1255	0.3306	0.1135*	—	5.4535*	1.3186	1.5309*	1.391	1.3335*
Brussels	35.65	58.09	20.6355	6.1235	2.0933*	18.349	—	24.305	0.2809	25.53	24.45*
Frankfurt	1.7274	2.8145	—	0.2966	0.1009*	0.8888	4.8447*	1.1763	1.3631*	1.2362	1.1849*
London (a)	1.624	—	2.7969	9.4274	2,784.78	3.1406	57.6089	2.3808	205.8625	2.2627	235.0779
Madrid	145.704	237.323	84.368	25.026	8.52*	75.008	4.0888	99.24	114.989*	104.35	—
Milan	1,711.55	2,791.30	991.60	293.75	—	880.89	48.018	1,164.58	13.595	1,224.90	11.735
New York (b)	—	1.6227 a	1.7225	5.8071	1,704.08	1.9375	35.53	1.4695	126.55	1.3875	145.49
Paris	5.8222	9.483	3.3713	—	0.3405*	2.9973	0.1634	3.9656	4.5917*	4.1698	3.9905*
Tokyo	127.15	206.39	73.45	21.80	8.744	65.30	3.5616	86.38	—	91.82	0.8722
Toronto	1.3873	2.2531	0.8057	0.2389	0.0814*	0.714	0.3905*	0.944	1.8971*	—	0.985*
Zurich	1.4244	2.392	0.8508	0.2524	0.086*	0.7558	18.81*	—	1.1614*	1.0542	1.0079*
1 ECU	1.1349	0.6968	1.96	6.6076	1,940.86	2.2045	40.422	1.6603	140.905	1.5847	165.457
1 SDR	1.3645	0.8406	2.3022	7.964	2,340.81	2.6579	48.73	2.0096	173.497	1.9077	199.889

Rates in Brussels, Frankfurt, Madrid, Milan, Paris, Zurich and the ECU are from April 30. Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	274.2	Mex. peso	7.943	S. Afr. rand	4.4475
Australian $	1.2744	Hong Kong $	7.7462	N. Zealand $	1.4472	S. Kor. won	891.90
Austrian sch.	12.142	Hung. forint	182.17	Norw. krone	7.082	Swed. krona	7.8201
Brazil real	1.0636	Indian rupee	35.740	Phil. peso	26.35	Taiwan $	27.67
Chinese yuan	8.3245	Indo. rupiah	2431.88	Polish zloty	3.16	Thai baht	26.11
Czech koruna	30.92	Irish £	0.6716	Port. escudo	172.94	Turkish lira	134905.
Danish krone	6.5945	Israeli shek.	3.4065	Russ ruble	5750.00	UAE dirham	3.6705
Egypt. pound	3.3952	Kuw dinar	0.3045	Saudi riyal	3.7504	Venez. boliv.	480.50
Fin. markka	5.178	Malay. ring.	2.506	Sing. $	1.447		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6241	1.6231	1.6223	Japanese yen	126.38	125.90	125.24
Canadian dollar	1.3931	1.3903	1.3873	Swiss franc	1.4620	1.4569	1.4536
Deutsche mark	1.7207	1.7167	1.7130				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo);

Libid-Libor Rates

May 1

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 11/16	3 - 3 1/8	1 9/16 - 1 11/16	6 3/16 - 6 5/16	3 3/16 - 3 5/16	7/16 - 9/16	4 1/16 - 4 1/8
3-month	5 11/16 - 5 13/16	3 3/16 - 3 5/16	1 5/8 - 1 3/4	6 7/16 - 6 9/16	3 5/16 - 3 7/16	7/16 - 9/16	4 1/8 - 4 5/16
6-month	5 13/16 - 5 15/16	3 1/8 - 3 1/4	1 9/16 - 1 11/16	6 13/16 - 6 15/16	3 3/8 - 3 1/2	1/2 - 5/8	4 3/16 - 4 5/16
1-year	6 3/16 - 6 5/16	3 1/4 - 3 3/8	1 13/16 - 1 15/16	6 7/8 - 7	3 1/2 - 3 5/8	11/16 - 13/16	4 1/4 - 4 3/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8½	8½
Federal funds	5¾	5 7/16
90-day CDs dealers	5.72	5.72
180-day CP dealers	5.69	5.69
3 month Treasury bill	5.10	5.12
1-year Treasury bill	5.56	5.59
2-year Treasury bill	6.26	6.32
5-year Treasury note	6.56	6.63
7-year Treasury note	6.61	6.68
10-year Treasury note	6.69	6.76
30-year Treasury bond	6.93	6.96
Merrill Lynch 30-day RA	4.96	4.95
Japan		
Discount rate	0.50	0.50
Call money	0.46	0.44
1-month interbank	0.56	0.52
3-month interbank	0.58	0.53
6-month interbank	0.64	0.59
10-year Govt bond	2.50	2.35
Germany		
Lombard rate	4.50	4.50
Call money	Clsd.	3.05
1-month interbank	—	3.22
3-month interbank	—	3.24
6-month interbank	—	3.25
10-year Bond	—	5.83

Britain	Close	Prev
Bank base rate	6.00	6.00
Call money	6¼	6.00
1-month interbank	6¼	6 5/16
3-month interbank	6½	6½
6-month interbank	6⅝	6 11/16
10-year Gilt	7.43	7.55
France		
Intervention rate	3.10	3.10
Call money	Clsd.	3 5/16
1-month interbank	—	3¼
3-month interbank	—	3⅜
6-month interbank	—	3½
10-year OAT	—	5.76

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich		Clsd.	
London	339.55	339.25	Unch.
New York	341.10	341.50	−0.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)
Source: Reuters.

Fidelity, Under Fire, Regroups Troops

Compiled by Our Staff From Dispatches

BOSTON — Fidelity Investments Inc. is making yet another senior executive shift, putting James Curvey, president of Fidelity Capital, the company's noninvestment side, in line as the No. 2 to Edward Johnson III.

He will be chief operating officer of FMR, the parent company, and chairman of the operating committee, the company said Wednesday.

Robert Pozen, the newly appointed president of Fidelity Investments' troubled mutual-fund business, also moved quickly to shake up the operation Wednesday, naming three lieutenants to oversee Fidelity's equity-fund managers.

The three, who include Abigail Johnson, the daughter of Fidelity's chairman, succeed William Hayes, who headed the equity funds unit for the last seven years. Fidelity announced that Mr. Hayes, who has been at Fidelity for 28 years, would retire this autumn.

The latest move to overhaul the equity-fund business completes the replacement of the three top executives who oversaw Fidelity's stock funds in January, when the company embarked on a nationwide tour to reassure nervous investors.

J. Gary Burkhead, who for the past decade headed Fidelity's entire mutual-fund business and who led the company's January road show, was replaced by Mr. Pozen last week after Mr. Burkhead was promoted to vice chairman and given responsibility for Fidelity's retirement and brokerage businesses. Bart Grenier, who in January was promoted to assistant head of the equity division, resigned from Fidelity last week.

Mr. Hayes was the primary architect of the last redesigning of Fidelity's equity division, in March 1996.

None of Fidelity's diversified equity funds has outperformed the Standard & Poor's 500 index over the past year, and only two — the Dividend Growth and the New Millennium funds — outperformed the S&P benchmark over the past three years.

Separately, Fidelity's flagship Magellan fund lost between $690 million and $720 million in April, marking its tenth straight month of net outflows, analysts who track the No. 1 U.S. mutual-fund company said.

(NYT, Bloomberg)

THE AMERICAS

Investor's America

Exchange	Index	Thursday @4P.M.	Prev. Close	% Change
NYSE	The Dow	6976.48	7008.99	-0.46
NYSE	S&P 500	798.03	801.34	-0.41
NYSE	S&P 100	780.86	785.70	-0.62
NYSE	Composite	415.58	418.94	-0.80
U.S.	Nasdaq Composite	1260.91	1260.70	[illegible]
AMEX	Market Value	558.42	552.91	+1.00
Toronto	TSE Index	5887.70	5876.83	+0.85
São Paulo	Bovespa	Closed	9982.86	
Mexico City	Bolsa	Closed	3785.61	
Buenos Aires	Merval	Closed	722.60	
Santiago	IPSA General	Closed	5280.15	
Caracas	Capital General	Closed	6236.10	

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

McDonnell to Resume Launchings

HUNTINGTON BEACH, California (AP) — McDonnell Douglas Corp. is scheduled to resume its satellite-launching business Friday, ending a pause that began Jan. 17, when a Delta-2 rocket exploded above Cape Canaveral.

The air force and McDonnell Douglas separately announced the resumption Wednesday. The first launching is scheduled from Vandenberg Air Force Base in California.

It will carry the first 5 of 66 satellites planned for Iridium, a global telecommunications project led by Motorola Inc. McDonnell Douglas is under contract to launch 53 of the 66 satellites during the next four years.

- **The United States and the European Union** reached agreement on an overall framework for recognizing each other's meat and poultry inspection standards. The two sides had set an April 30 deadline to resolve the dispute, with Washington threatening to block EU meat exports worth $300 million a year if no agreement was reached.
- **Time Warner Inc.** said it would shut down the interactive television network that it introduced with great fanfare more than two years ago. Technical difficulties and high costs hindered its start-up.
- **Avon Products Inc.** and **Mattel Inc.** will introduce new Barbie dolls and other products as part of an effort to expand joint marketing.
- **Aon Corp.'s** first-quarter earnings fell 5.5 percent, to $86.4 million, as the insurance broker faced added costs from recent acquisitions.
- **HFS Inc.** said first-quarter earnings more than doubled, to $58.9 million, on the strength of its car-rental business and its hotel and real estate franchising.
- **Rand McNally Inc.**, the world's largest commercial map maker, has retained Goldman, Sachs & Co. to seek a possible buyer.

Bloomberg, AP, AFX

3M to Sell Billboard Business

Compiled by Our Staff From Dispatches

ST. PAUL, Minnesota — Minnesota Mining & Manufacturing Co. said Thursday that it would sell its billboard advertising business to Outdoor Systems Inc. for $1 billion.

The 3M unit, National Advertising Co., is the third-largest U.S. billboard company, with annual sales of about $220 million and 25,000 billboards nationwide. It has 530 employees.

For Outdoor Systems, the purchase expands its market share in California and Texas and provides an entry into several Florida markets. It also caps a yearlong buying spree that began when the Phoenix-based company bought Gannett Co.'s billboard business for $710 million in August.

"This acquisition gives us the opportunity to offer broader national, regional and local advertising coverage as well as maintain our leadership of the outdoor advertising industry," said Arte Moreno, chief executive of Outdoor Systems.

Outdoor Systems shares closed $1.50 higher at $29.25 on the New York Stock Exchange, while 3M finished unchanged at $87.00.

3M, the maker of Post-It Notes, Scotch adhesive tape, sandpaper and other products, expects to post a gain of about $500 million in the quarter when the sale is completed. The company said that billboards did not fit its strategy to expand.

The company first got into the billboard business in 1947.

(Bloomberg, AP)

Bombardier Gets Big N.Y. Subway Order

Canadian Transit Firm Beats Rivals for Deal to Replace Aging Cars

Compiled by Our Staff From Dispatches

NEW YORK — Bombardier Inc. has won the bulk of $1.4 billion order to replace much of New York City's aging fleet of subway cars, reinforcing the company's dominant position in the North American rapid-transit market.

The Metropolitan Transportation Authority of New York gave Bombardier a $920 million order on Wednesday for 680 subway cars. The order from the authority includes an option for 200 additional cars.

Kawasaki Heavy Industries Ltd. of Japan received a $520 million order from the authority for 400 subway cars.

Bombardier, the Montreal-based maker of rail cars, jetliners and snowmobiles, has fought hard for this order since 1989. It not only bested Kawasaki but shut out GEC-Alsthom, the British-French company. For Bombardier, the order is a needed shot in the arm for its recently troubled transportation unit.

"It's a landmark contract," said Ted Larkin, an analyst with the brokerage Bunting Warburg Inc. in Toronto. New York commuters are familiar with the streamlined look of Bombardier cars. In 1982, Bombardier was awarded its first contract to build 825 cars.

The new cars, which will replace most of the subway's corroding barn-red cars built in the late '50s and early '60s, will appear on the Independent Rapid Transit, or IRT lines. They will incorporate some significant changes, including wider seats, glass windows between the cars and electronic message boards showing where the train is along its route.

Still, the Straphangers Campaign, a riders advocacy group, criticized the new design for cutting the number of seats by 38 in a 10-car train.

Bombardier holds about 40 percent of the North American market for subway cars, but its transportation unit has struggled recently. In 1996, pretax profit for the division fell 36 percent.

(Bloomberg, NYT)

Dollar Slips as Japan Talks Up the Yen

NEW YORK — The dollar fell against most other major currencies in late trading Thursday, pulled down by lower stock prices and speculation the Bank of Japan was poised to defend its currency.

Pressure also came from a report from the National Association of Purchasing Management, which said its index of manufacturing fell in April, a report that some saw reduces the chances the Federal Reserve would raise U.S. interest rates again soon. But other data showed a strengthening economy, which made a rate rise more likely and limited the impact of the purchasing managers' report.

"The dollar is going up and down with speculation of a rate hike," said Shinya Nambu, head of currency trading at Bank of Tokyo-Mitsubishi Ltd.

In 4 P.M. trading, the dollar fell to 126.550 yen from 127.115 yen Wednesday, to 1.7225 Deutsche

FOREIGN EXCHANGE

marks from 1.7305 DM, to 5.8071 French francs from 5.8346 francs and to 1.4695 Swiss francs from 1.4735 francs. The pound fell to $1.6227 from $1.6242.

Pressure against the yen came from rumors that the Bank of Japan was selling dollars for yen. That followed remarks from top Japanese finance officials that they would act to prevent the U.S. currency from gaining further.

Finance Minister Hiroshi Mitsuzuka said the government would make an effort to prevent the yen from dropping more against the dollar. His deputy, Tadashi Ogawa, said Japan would closely monitor the currency market and take action if necessary.

Finance ministers and central bank chiefs from the Group of Seven leading industrial nations said Sunday that "excess volatility" in exchange rates was undesirable and that they would "cooperate as appropriate" in currency markets.

(Bloomberg, AFX, Market News)

U.S. Settles On-Line Ads Case

3 Services to Clarify Offers of Free Trials

The Associated Press

WASHINGTON — Three of the largest on-line services have agreed to settle allegations that their free trial offers resulted in unexpected charges to customers, the Federal Trade Commission said Thursday.

America Online, CompuServe and Prodigy agreed to "clearly and prominently" disclose any obligation of customers to cancel service and to provide an easy way to cancel before automatically enrolling customers. There were no financial penalties.

In television ads, direct mailings and newspaper announcements, the three on-line services have used free trial offers to attract subscribers. The Federal Trade Commission alleged that customers had not been told they would be charged if they failed to contact the service to cancel when the trial period ended.

"We are pleased that these industry leaders have agreed to standards that comply with the laws enforced by the commission," said Jodie Bernstein, director of the agency's consumer protection bureau. "We will continue to work, on an industrywide basis, to ensure that all companies understand and comply with the laws enforced by the FTC."

George Vradenburg 3d, America Online's general counsel, said the agreement had been reached months ago and that many of the changes already were in place.

"AOL believes this decree can and should serve as a 'best practices' standard for the entire interactive service industry," he said.

The agreement, subject to a 60-day period of public comment, also commits the services to obtaining written authorization before they begin electronic charges and notifying customers in advance about such financial transfers.

America Online also had been accused of adding 15 seconds of connection time to each on-line session and rounding up to the next minute, resulting in extra charges. It agreed to establish a consumer education program about the uses of electronic payments systems, involving distribution of 50,000 brochures and information on the Internet.

GROW: *Rise in U.S. Consumer Spending in March Renews Rate-Rise Speculation*

Continued from Page 1

"persisting strength in demand."

The possibility that the Fed's policy-making Open Market Committee will raise rates when it next meets May 20 sent a shudder through Wall Street on Thursday. The Dow Jones industrial average fell 32.51 points, to close at 6,976.48. (Page 15)

"For the Fed, these data factor in on the tighter side of the ledger," Ray Stone of Stone & McCarthy Research Associates said of the growth data. "While admittedly these data are rear-view in nature, they still characterized the momentum of demand" and showed how strong it had been.

Consumers were responsible for the lion's share of the surge in gross domestic product. Households stepped up their purchases of a wide range of goods and services, including new cars, furniture, medical care, computers and brokerage services, as their overall spending rose at a 6.4 percent annual rate, after adjustment for inflation. That was nearly double the gain in the final three months of last year.

The increase in inflation-adjusted gross domestic product also was far larger than economists had expected when the year began and even well above estimates made as recently as a few days ago.

Moreover, it came on the heels of a robust 3.8 percent increase in the fourth quarter of last year.

While many forecasters and government policymakers said growth was sure to taper off in the coming months, the report showed that over the past four quarters, the nation's output of goods and services rose 4 percent. That is roughly double the growth that many economists have estimated the American economy can generate on a sustainable basis.

Remarkably, the large increase in GDP has come with no added inflation. The Commerce Department's report said prices paid for goods and services bought in the United States rose at a 2.2 percent annual rate in the first quarter, slightly less than they did in the like period a year earlier. A White House economist, Janet Yellen, said neither President Bill Clinton's administration nor private economists really knew why the nation had been able to combine such strong growth and low unemployment with a stable or falling inflation rate.

"We will be studying for a long time the changes in the economy that have allowed us to achieve this," Ms. Yellen said.

She said a key factor had been the competitive pressures faced by many businesses: "Producers don't feel they have the scope to pass along cost increases. Almost every measure of inflation was lower in the last 12 months than it had been in the previous 12 months."

(AP, Bloomberg, NYT, WP)

AMEX

Thursday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6988.09	7008.99	6913.47	6976.48	-32.51
Trans	2557.13	2572.85	2526.61	2544.18	-28.36
Util	215.98	216.48	214.57	216.46	+0.07
Comp	2181.59	2191.37	2160.97	2178.33	-13.04

Standard & Poors

	High (Previous)	Low (Previous)	Close (Previous)	Today 4 P.M.
Industrials	933.15	909.41	933.07	938.77
Transp.	583.61	574.22	582.88	579.18
Utilities	186.19	183.61	185.94	185.98
Finance	90.30	88.77	90.09	90.52
SP 500	794.44	772.96	794.05	798.03
SP 100	778.51	755.81	778.34	780.86

NYSE

	High	Low	Last	Chg.
Composite	417.59	413.71	415.71	-1.23
Industrials	527.39	521.56	524.76	-1.71
Transp.	381.67	375.03	377.74	-3.82
Utility	261.13	258.99	260.42	-0.37
Finance	382.43	378.88	380.52	-0.74

Nasdaq

	High	Low	Last	Chg.
Composite	1273.00	1250.54	1270.50	+9.74
Industrials	1006.18	978.51	1005.53	+8.61
Banks	1391.31	1380.41	1385.27	+2.50
Insurance	1432.39	1425.30	1431.80	+5.30
Finance	1689.86	1680.37	1688.96	+1.34
Transp.	860.65	854.27	855.48	-1.49

AMEX

High	Low	Last	Chg.
558.58	552.66	558.50	+5.59

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	101.49	101.80
10 Utilities	98.37	98.63
10 Industrials	104.62	104.98

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
MicrnT	74108	38¾	35⅝	38⅝	+2⅞
Compaq	54583	88⅞	85¾	88¼	+2⅞
PepsiCo s	53483	35⅛	34½	34⅞	—
PhilMor s	51477	39¼	38⅝	39	-⅛
EDS	45809	35½	33⅝	34⅞	+1⅛
SouthnCo	44570	20⅝	20	20¼	+¼
AT&T s	40283	34⅛	33¾	34	+⅛
PharUpj	37539	30⅛	29⅛	29⅜	-⅛
Aames s	35435	13½	11¾	12	-3⅛
ColHCA s	33978	36⅛	34⅛	34⅞	-⅛
ChaseM	32808	93⅞	92⅛	92⅛	+⅛
CocaCl	30668	63⅝	62⅛	62⅛	-1⅛
IBM	29678	161⅛	159⅝	161⅛	+⅝
AmOnline	28675	48	46	47	+1⅛
Chryslr s	27586	30⅛	29⅝	30	—

Nasdaq

	Vol.	High	Low	Last	Chg.
Cisco	134176	53⅝	51½	53⅜	+1⅛
Intel	128850	154⅞	151⅛	153⅝	+⅛
Microsft s	90148	123⅛	119⅝	121	-½
Oracle	89873	41½	39⅝	40⅞	+⅝
TeleComA	89646	14⅞	13⅝	14⅞	+½
PairTch s	87785	26⅛	20	22⅝	-3⅛
WorldCm s	81550	24½	23⅝	24½	+½
Quantum	76749	43⅝	40⅝	42⅛	+1⅛
3Com	64850	31⅛	29½	31	+2
ApldMat	62481	56⅛	53⅝	54½	-½
Ascend	61010	47⅞	45⅛	46⅞	+1¼
SunMic s	47941	29⅝	28½	28⅞	-⅛
Staples	46812	18⅝	18	18⅛	+⅛
AdobeSy	44607	42⅛	40⅝	41⅞	+2⅛
DellCpt s	44595	87	83⅝	86⅛	+3⅛

AMEX

	Vol.	High	Low	Last	Chg.
ViacB	24779	29⅝	26⅛	29⅝	+2⅞
SPDR	19740	80⅞	79⅛	79	-⅛
Nabors	9755	19⅛	18⅛	18⅝	-⅛
RoyalO g	8725	2½	2⅜	2⅜	-⅛
EchoBay	6819	5½	5⅜	5⅜	+⅛
TWA	5409	7⅛	6⅞	7⅛	-⅛
Hasbro s	5164	25⅛	24⅛	25	—
Amdhl	5158	9	8⅞	9	+⅛
Edisk	4927	½	⅜	½	+⅛
ElPasoE	4868	6½	6⅜	6⅜	—

Trading Activity

NYSE

	Close	Prev.
Advanced	1455	1632
Declined	1053	967
Unchanged	823	771
Total issues	3331	3370
New Highs	76	113
New Lows	25	37

Nasdaq

	Noon	Prev.
Advanced	1960	2101
Declined	1309	1929
Unchanged	2179	1716
Total issues	5448	5746
New Highs	39	68
New Lows	121	172

AMEX

	Close	Prev.
Advanced	284	293
Declined	243	262
Unchanged	206	176
Total issues	733	731
New Highs	14	15
New Lows	19	11

Market Sales

	Today 4:00	Prev. cons.
NYSE	464.70	670.05
Amex	20.55	23.32
Nasdaq	579.12	657.06

In millions.

Dividends

Company	Per	Amt	Rec	Pay
STOCK				
F&M Bancorp WI	-	10%	5-23	6-9
First Albany	-	5%	5-12	5-27
INCREASED				
Equifax Inc	Q	.0875	5-23	6-13
Ethan Allen	Q	.06	7-10	7-25
Providence Wor	S	.06	5-8	5-22
WesterFed Fin	Q	.105	5-2	5-21
YEAREND				
Grupo Indus Mas	-	.4101	5-6	5-16
INITIAL				
Aames Fin Corp n	-	.033	5-2	5-13
Henry,Jack n	-	.055	5-14	5-28
SPECIAL				
CleveTrust Rlty	-	2.50	5-9	5-16
GulfCda Rlpfl p	-	.01	5-30	6-12
RealF	-	.08	5-5	5-15
REGULAR				
Ambac Inc	Q	.165	5-12	6-4
Ambassador Apt	Q	.40	5-12	5-15
BkAmer adpf A	-	.8125	5-15	5-31
BkAmer adpf B	-	1.50	5-15	5-31
Cambior Inc	S	.052	6-6	6-27
Cedar Inco Fd	Q	.10	5-9	5-19
Co-Steel Inc g	Q	.10	5-15	6-16
Computer Task	A	.10	5-12	5-30
Fletch Chll Cda g	Q	.15	6-2	6-16
Hancock Pat Gib	M	.0875	5-9	5-30
Highwoods Prop	Q	.48	5-9	5-21
Home Port	Q	.20	5-15	5-29
IBP Inc	Q	.025	6-6	7-11
Innovex Inc	Q	.03	5-14	5-28
Lehman Bros Hld	Q	.06	5-16	5-30
Martin Ind	Q	.038	5-9	5-15
Mid-Am Realty	Q	.22	5-7	5-21
Muni advntg Fd	M	.0665	5-15	6-2
Nth Europe Oil	Q	.39	5-18	5-28
Oasis Residential	Q	.4525	5-23	6-3
Oregon Steel	Q	.14	5-16	5-30
PaineWebber Grp	Q	.15	6-3	7-3
Pilgrim Am Pr Rt	M	.0695	5-12	5-22
Poe & Brown	Q	.13	5-12	5-27
Regency Rlty	Q	.42	5-14	5-28
Sandwich Co-op	Q	.30	5-9	5-23
Secur Cap Atlantic	-	.39	5-12	5-27
Shell Cda Ltd g	Q	.45	5-15	6-16
Signet Banking	Q	.21	5-12	5-27
TRW Inc	Q	.31	5-9	6-15
Weingarten Rlty	Q	.64	5-22	6-16
Wstn Inv RE	Q	.28	5-25	6-15

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

May 1, 1997

	High	Low	Latest	Chge	OpInt
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
May 97	297½	294½	296½	+3½	27,307
Jul 97	298½	292¼	296¾	+3½	136,107
Sep 97	282¼	278¼	281	+1½	34,434
Dec 97	278½	275	277¼	+1¾	107,882
Mar 98	282¾	279¼	282	+1½	10,255
May 98			286	+1	835
Jul 98	290	288	289½	+1½	2,462
Est. sales N.A. Wed's. sales 84,070					
Wed's open int 312,424 off 5147					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
May 97	294.40	289.30	289.90	-2.70	14,167
Jul 97	288.80	283.30	283.90	-2.90	47,634
Aug 97	277.50	273.00	273.20	-1.70	13,900
Sep 97	259.00	255.00	255.30	-0.60	7,969
Oct 97	230.00	228.00	228.00	-1.50	9,351
Dec 97	222.00	219.00	220.50	+0.10	17,262
Est. sales N.A. Wed's. sales 366					
Wed's open int 113,211,583 up 12438196					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
May 97	25.38	24.90	24.90	-0.16	6,157
Jul 97	25.66	25.25	25.27	-0.20	52,806
Aug 97	25.80	25.41	25.41	-0.28	12,082
Sep 97	25.83	25.48	25.48	-0.20	6,802
Oct 97	25.85	25.45	25.50	-0.15	6,971
Dec 97	25.98	25.60	25.60	-0.23	18,738
Est. sales N.A. Wed's. sales 91					
Wed's open int 2,417 off 101982					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
May 97	897	879	888¼	-9¼	11,807
Jul 97	895	876	877	-10	102,131
Aug 97	869	851	851¼	-8½	16,996
Sep 97	775	762½	763½	-4¼	7,727
Nov 97	764	695	696	-1½	46,780
Est. sales N.A. Wed's. sales 71,935					
Wed's open int 189,933 up 5870					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
May 97	424	414	414	-9	1,748
Jul 97	435	424	425	-8½	59,261
Sep 97	441	431	431	-7¼	13,380
Dec 97	451	441	441½	-7¼	14,738
Est. sales N.A. Wed's. sales 20,752					
Wed's open int 90,299 up 1031					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Jun 97	65.35	64.70	65.22	+0.47	36,519
Aug 97	65.32	64.70	65.20	+0.50	25,419
Oct 97	69.00	68.60	68.95	+0.32	16,222
Dec 97	70.70	70.27	70.52	+0.20	8,364
Feb 98	71.22	70.95	71.02	+0.10	5,216
Apr 98	73.15	72.90	73.00	+0.05	1,197
Est. sales 15,563 Wed's. sales 13,218					
Wed's open int 92,938 off 4					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
May 97	73.90	73.00	73.75	+0.75	5,280
Aug 97	74.75	75.80	76.47	+0.75	7,767
Sep 97	76.52	75.90	76.47	+0.52	1,722
Oct 97	76.90	76.30	76.90	+0.70	2,767
Nov 97	78.50	77.85	78.45	+0.40	1,452
Jan 98	78.95	78.50	78.85	+0.47	332
Est. sales 2,674 Wed's. sales 2,694					
Wed's open int 19,405 off 24					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jun 97	85.20	83.62	84.95	+1.40	18,525
Jul 97	85.60	84.70	85.40	+0.92	6,311
Aug 97	83.52	82.65	83.12	+0.57	5,884
Oct 97	76.60	75.75	76.22	+0.32	3,087
Dec 97	73.47	72.90	73.37	+0.45	2,298
Est. sales 10,578 Wed's. sales 6,726					
Wed's open int 41,008 up 387					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
May 97	91.82	90.10	90.57	-0.35	1,280
Jul 97	93.25	91.20	91.65	-0.37	6,189
Aug 97	92.25	90.05	90.42	-0.22	1,396
Est. sales 3,375 Wed's. sales 5,270					
Wed's open int 9,156 up 757					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
May 97	1390	1380	1380	-14	356
Jul 97	1404	1390	1391	-9	33,176
Sep 97	1429	1417	1417	-12	13,549
Dec 97	1456	1444	1445	-9	18,119
Mar 98	1475	1473	1473	-3	19,845
May 98			1492	-3	8,562
Est. sales N.A. Wed's. sales 6,932					
Wed's open int 95,679 off 618					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
May 97	255.00	239.00	252.75	+13.70	1,719
Jul 97	224.00	210.00	222.90	+12.50	15,455
Sep 97	198.25	188.80	197.90	+9.85	7,586
Dec 97	175.40	167.50	175.40	+7.75	4,388
Mar 98	160.40	155.00	160.40	+5.90	1,813
Est. sales N.A. Wed's. sales 11,545					
Wed's open int 31,327 off 488					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Jul 97	10.86	10.67	10.70	-0.26	89,538
Oct 97	10.71	10.59	10.60	-0.22	38,669
Mar 98	10.68	10.59	10.60	-0.16	21,353
May 98	10.63	10.58	10.58	-0.13	4,997
Est. sales N.A. Wed's. sales 33,600					
Wed's open int 157,565 off 15893					

	High	Low	Latest	Chge	OpInt
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
May 97	73.50	72.70	73.10	+0.10	1,189
Jul 97	75.90	75.25	75.70	-0.25	17,094
Sep 97	78.80	78.20	78.50	-0.25	6,155
Nov 97	81.50	81.00	81.00	-0.45	2,770
Est. sales N.A. Wed's. sales 3,946					
Wed's open int 29,422 off 1172					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
May 97			340.40	+0.40	2
Jun 97	342.90	340.40	341.70	+0.50	75,809
Jul 97			343.00	+0.60	
Aug 97	345.50	342.80	344.30	+0.60	18,166
Oct 97	347.90	346.20	346.90	+0.60	6,311
Dec 97	350.50	349.00	349.70	+0.60	21,530
Feb 98			352.40	+0.60	4,644
Apr 98			354.90	+0.60	3,038
Jun 98			357.60	+0.60	6,356
Est. sales N.A. Wed's. sales 20,830					
Wed's open int 165,543 up 1958					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
May 97	111.80	110.50	110.90	-1.60	6,133
Jun 97	111.95	110.10	110.55	-1.40	2,633
Jul 97	111.75	109.25	109.85	-1.50	23,420
Aug 97	107.95	107.50	107.95	-1.40	1,213
Sep 97	107.40	106.30	106.75	-1.30	5,169
Oct 97			105.75	-1.30	850
Nov 97			104.30	-1.30	961
Dec 97	103.80	103.20	103.20	-1.30	6,509
Jan 98	102.60	102.15	102.15	-1.30	487
Est. sales N.A. Wed's. sales 14,832					
Wed's open int 51,742 up 1112					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
May 97	475.50	463.00	472.40	+7.70	2,843
Jun 97			474.40	+7.50	2
Jul 97	480.00	467.80	476.80	+7.50	57,334
Sep 97	484.00	472.50	481.70	+7.60	5,651
Dec 97	491.50	480.50	489.00	+7.60	6,964
Jan 98			491.30	+7.60	17
Mar 98	496.70	496.00	496.70	+7.70	6,541
May 98			501.80	+7.90	1,755
Est. sales N.A. Wed's. sales 21,051					
Wed's open int 85,175 off 6085					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	374.60	370.50	374.10	+3.50	12,942
Oct 97	376.00	373.00	375.60	+3.80	2,871
Jan 98			377.80	+3.80	1,180
Est. sales N.A. Wed's. sales 2,051					
Wed's open int 16,792 off 242					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1597.00	1598.00	1608½	1609½
Forward	1626.00	1627.00	1635.00	1636.00
Copper Cathodes (High Grade)				
Spot	2439.00	2442.00	2426.00	2431.00
Forward	2363.00	2364.00	2348.00	2349.00
Lead				
Spot	615½	616½	608½	609½
Forward	626½	627½	619.00	620.00
Nickel				
Spot	7210.00	7220.00	7205.00	7210.00
Forward	7320.00	7330.00	7320.00	7325.00
Tin				
Spot	5660.00	5665.00	5630.00	5640.00
Forward	5700.00	5705.00	5680.00	5685.00
Zinc (Special High Grade)				
Spot	1249.00	1250.00	1244½	1245½
Forward	1271.00	1272.00	1268.00	1268½

	High	Low	Close	Chge	OpInt
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Jun 97	94.67	94.66	94.67		6,511
Sep 97	94.48	94.46	94.47	+0.01	3,451
Dec 97			94.48		847
Est. sales N.A. Wed's. sales 1,321					
Wed's open int 10,162 off 456					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Jun 97	105-30	105-15	105-25	+04	231,674
Sep 97	105-15	105-03	105-12	+08	2,336
Dec 97	104-57	104-57	104-57	-01	45
Est. sales N.A. Wed's. sales 121,914					
Wed's open int 234,055 up 86					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Jun 97	107-08	106-29	107-05	+07	316,501
Sep 97	106-24	106-19	106-19	+03	25,875
Dec 97			106-03		1,895
Est. sales N.A. Wed's. sales 189,113					
Wed's open int 344,271 off 5537					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Jun 97	109-24	109-06	109-21	+12	469,688
Sep 97	109-09	108-25	109-06	+11	47,039
Dec 97	108-27	108-22	108-27	+12	8,001
Mar 98			108-15		1,709
Est. sales N.A. Wed's. sales 624,610					
Wed's open int 527,165 up 944					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun97	110-28	110-16	110-25	+0-06	172,587
Sep97	110-22	110-14	110-21	+0-07	2,314
Est. sales: 34,165. Prev. sales: 96,823					
Prev. open int.: 174,901 up 2,625					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Jun97	101.80	101.32	101.67	+0.47	274,824
Sep97	100.92	100.30	100.63	+0.47	23,375
Est. sales: 94,622. Prev. sales: 202,011					
Prev. open int.: 298,199 off 3,638					

	High	Low	Latest	Chge	OpInt
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Jun97	128.40	127.63	128.25	+0.63	110,987
Sep97	128.12	127.90	128.49	+0.63	5,747
Est. sales: 10,167. Prev. sales: 59,128					
Prev. open int.: 114,734 up 2,649					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Mar 97			92.12		417
May 97	94.14	94.13	94.14		41,392
Jun 97	94.08	94.05	94.05		476,783
Jul 97	94.01	93.99	94.00	+0.01	6,714
Sep 97	93.90	93.86	93.88	+0.01	411,682
Dec 97	93.67	93.62	93.66	+0.03	312,500
Mar 98	93.56	93.51	93.55	+0.04	232,969
Jun 98	93.45	93.39	93.45	+0.06	213,566
Sep 98	93.37	93.31	93.36	+0.06	157,965
Dec 98	93.26	93.20	93.25	+0.05	125,651
Mar 99	93.26	93.20	93.25	+0.06	98,783
Jun 99	93.21	93.15	93.20	+0.06	79,631
Est. sales N.A. Wed's. sales 956,808					
Wed's open int 2,584,244 off 19138					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Jun 97	1.6258	1.6208	1.6234		39,079
Sep 97	1.6230	1.6190	1.6190		913
Dec 97			1.6176		102
Est. sales N.A. Wed's. sales 17,983					
Wed's open int 40,094 off 683					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Jun 97	.7235	.7177	.7233		75,211
Sep 97	.7280	.7234	.7275		5,393
Dec 97	.7312	.7255	.7308		1,266
Est. sales N.A. Wed's. sales 4,673					
Wed's open int 82,801 off 14					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Jun 97	.5845	.5785	.5824		82,588
Sep 97	.5881	.5849	.5863		3,163
Dec 97	.5904	.5904	.5904		326
Est. sales N.A. Wed's. sales 18,802					
Wed's open int 86,106 up 1479					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Jun 97	.7980	.7894	.7946		86,304
Sep 97	.8085	.8023	.8050		1,593
Dec 97	.8185	.8135	.8185		708
Est. sales N.A. Wed's. sales 12,464					
Wed's open int 88,615 up 1362					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Jun 97	.6860	.6814	.6835		44,743
Sep 97	.6979	.6893	.6908		2,175
Dec 97			.6973		433
Est. sales N.A. Wed's. sales 15,578					
Wed's open int 47,481 up 17					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Jun97	93.40	93.36	93.37	-0.02	122,036
Sep97	93.19	93.12	93.14	-0.02	93,198
Dec97	93.01	92.94	92.96	-0.02	80,443
Mar98	92.89	92.80	92.82	-0.01	52,308
Jun98	92.78	92.71	92.72	-0.01	41,216
Sep98	92.69	92.62	92.64	Unch.	26,833
Dec98	92.60	92.53	92.54	Unch.	22,594
Mar99	92.52	92.46	92.46	-0.01	14,849
Jun99	92.47	92.40	92.40	-0.02	10,648
Sep99	92.41	92.35	92.35	Unch.	9,052
Dec99	92.37	92.33	92.33	+0.01	6,881
Mar00	N.T.	N.T.	92.30	+0.01	1,526
Est. sales: 54,889. Prev. sales: 92,376					
Prev. open int.: 481,495 up 1,369					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
May97	96.80	96.80	96.80	+0.01	4,498
Jun97	96.78	96.76	96.78	+0.01	235,082
Jul97	N.T.	N.T.	96.77	Unch.	1,422
Sep97	96.73	96.71	96.73	+0.01	209,641
Dec97	96.62	96.58	96.61	+0.02	226,176
Mar98	96.48	96.44	96.47	+0.02	194,530
Jun98	96.30	96.26	96.30	+0.04	147,437
Sep98	96.10	96.06	96.10	+0.05	119,660
Dec98	95.86	95.81	95.85	+0.05	79,896
Mar99	95.62	95.56	95.61	+0.06	66,358
Jun99	95.35	95.31	95.35	+0.06	36,346
Sep99	95.08	95.07	95.10	+0.06	26,978
Dec99	94.85	94.81	94.85	+0.06	30,119
Mar00	94.60	94.57	94.61	+0.06	12,150
Jun00	94.33	94.33	94.39	+0.06	2,225
Sep00	N.T.	N.T.	94.21	+0.06	2,577
Dec00	93.95	93.95	94.01	+0.06	2,356
Mar01	N.T.	N.T.	93.80	+0.06	427
Est. sales: 78,793. Prev. sales: 110,549					
Prev. open int.: 1,397,678 off 3,832					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Jun97	93.36	93.22	93.25	+0.02	112,321
Sep97	93.55	93.49	93.54	+0.04	78,139
Dec97	93.69	93.64	93.68	+0.05	51,180
Mar98	93.69	93.66	93.71	+0.06	33,708
Jun98	93.71	93.66	93.68	+0.06	23,375
Sep98	93.62	93.56	93.61	+0.06	7,069
Dec98	N.T.	N.T.	93.51	+0.05	1,531
Mar99	N.T.	N.T.	93.41	+0.05	1,435
Est. sales: 11,940. Prev. sales: 54,995					
Prev. open int.: 308,758 off 5,742					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
May 97	71.50	70.50	70.50	-1.40	210
Jul 97	73.20	72.20	72.31	-1.34	40,870
Oct 97	74.75	73.90	73.94	-0.96	2,632
Dec 97	75.65	74.98	75.05	-0.89	23,997
Mar 98	76.45	76.15	76.25	-0.80	3,118
Est. sales N.A. Wed's. sales 4,868					
Wed's open int 72,693 up 74					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Jun 97	55.40	54.60	54.70	-0.22	39,748
Jul 97	55.35	54.55	55.55	+0.81	28,166
Aug 97	55.45	55.10	55.15	+0.01	13,496
Sep 97	56.00	55.70	55.70	-0.09	7,975
Oct 97	56.85	56.45	56.70	+0.26	8,254
Nov 97	57.35	57.00	57.35	+0.26	7,078
Dec 97	57.95	57.60	57.70	+0.01	11,312

	High	Low	Latest	Chge	OpInt
Jan 98	58.35	58.10	58.10	+0.06	7,193
Feb 98	58.80	58.60	58.80	+0.31	3,467
Est. sales N.A. Wed's. sales 43,599					
Wed's open int 132,952 off 9213					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jun 97	20.29	20.02	20.07	-0.14	96,650
Jul 97	20.30	20.05	20.10	-0.11	54,257
Aug 97	20.25	20.08	20.08	-0.08	29,167
Sep 97	20.20	20.05	20.05	-0.07	16,963
Oct 97	20.15	20.00	20.00	-0.08	15,442
Nov 97	20.14	20.02	20.11	+0.07	13,761
Dec 97	20.10	19.95	19.95	-0.07	32,184
Jan 98	20.08	20.06	20.08	+0.07	14,467
Feb 98			19.99		8,006
Mar 98	20.03	20.01	20.03	+0.06	4,245
Est. sales N.A. Wed's. sales 85,446					
Wed's open int 392,473 up 14					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jun 97	2.280	2.170	2.235		37,527
Jul 97	2.290	2.191	2.260		23,324
Aug 97	2.280	2.200	2.265		15,286
Sep 97	2.275	2.205	2.250		14,342
Oct 97	2.285	2.210	2.270		15,809
Nov 97	2.390	2.320	2.355		7,354
Dec 97	2.485	2.415	2.460		10,866
Jan 98	2.525	2.455	2.500		12,812
Feb 98	2.450	2.395	2.425		7,430
Mar 98	2.335	2.295	2.320		5,198
Est. sales N.A. Wed's. sales 47,150					
Wed's open int 189,534 up 3299					
UNLEADED GASOLINE (NMER) 42,000 gal. cents per gal					
Jun 97	63.40	61.95	62.75	+0.34	50,246
Jul 97	62.00	61.05	61.40	+0.10	15,639
Aug 97	60.70	60.00	60.30	+0.25	4,771
Sep 97	59.25	58.95	59.20	+0.50	3,365
Oct 97	57.60	56.70	57.40	+0.60	2,312
Nov 97	56.80	56.50	56.50	+0.50	1,355
Dec 97	56.55	56.10	56.10	+0.45	3,547
Est. sales N.A. Wed's. sales 40,558					
Wed's open int 82,736 off 11539					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
May 97	172.50	170.25	171.00	-0.75	18,604
Jun 97	170.75	169.25	170.00	-0.50	19,445
Jul 97	170.75	169.50	170.25	-0.50	7,527
Aug 97	171.75	170.50	171.50	-0.25	7,327
Sept 97	172.50	172.25	172.75	-0.75	3,194
Oct 97	174.75	174.50	174.50	-1.00	3,578
Nov 97	175.50	175.50	175.50	-0.75	1,564
Dec 97	177.25	176.50	176.25	-0.50	7,325
Est. sales: 12,138. Open int.: 72,397 off 760					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Jun 97	807.40	795.85	798.20	-4.60	182,168
Sep 97	815.30	805.20	806.50	-4.30	6,437
Dec 97	819.60	816.00	816.00	-3.60	3,264
Est. sales N.A. Wed's. sales 94,728					
Wed's open int 192,294 up 744					
FTSE 100 (LIFFE) £25 per index point					
Jun97	4477.0	4467.0	4451.0	-1.0	59,790
Sep97	4497.0	4497.0	4483.0	+1.0	3,394
Dec97	4536.0	4536.0	4522.0	-1.0	250
Est. sales: 7,903. Prev. sales: 15,201					
Prev. open int.: 63,434 up 1,350					

The Matif futures exchange was closed Thursday for a holiday.

Commodity Indexes

	Close	Previous
Moody's	N.A.	1,572.90
Reuters	1,975.10	1,966.40
D.J. Futures	162.13	161.23
CRB	248.38	248.29

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

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Herald Tribune — THE WORLD'S DAILY NEWSPAPER

Shell Profit Slips Despite Price Rise

Weak Refining Results Help Drag Down Net

Compiled by Our Staff From Dispatches

LONDON — Royal Dutch/Shell Group said Thursday its first-quarter profit slipped 5 percent as a surge in oil prices and a recovery in chemicals was undercut by weaker refining and natural gas sales.

Royal Dutch/Shell, Europe's biggest oil company, earned net income on a current-cost basis of £1.55 billion ($2.53 billion), down from £1.63 billion a year earlier. The 1996 first-quarter results, however, included a one-time gain of £90 million. The current-cost accounting method values oil inventories at current market prices.

The average oil price of $21.20 a barrel in the quarter was up $2.60 from a year earlier.

Royal Dutch/Shell's results contrasted with profit increases of more than 15 percent posted recently by Exxon Corp. and Mobil Corp. That raised concern among investors that Royal Dutch/Shell may lag its American rivals because it is more sensitive to weak European gas markets and currency fluctuations.

"This is a situation which could continue in the coming quarters," said Rene van Geffen, an analyst at F. van Lanschot Bankiers NV in Amsterdam.

Shares of the company's two owners fell. Shell Transport & Trading Co. of Britain, which owns 40 percent, fell 5 pence in London to close at £10.85. In Amsterdam, Royal Dutch Petroleum Co., which owns 60 percent, closed at 347.50 guilders ($178.90), down 70 cents.

The company said that on a historic-cost basis, which values oil inventories at the prices at which they were bought, its earnings fell 19 percent, to £1.42 billion from £1.74 billion. Analysts consider profits valued on the current-cost basis to be more reliable.

Royal Dutch posted sales for the quarter of £20.9 billion, compared with £19.2 billion a year earlier. The company's profit from oil exploration and production rose 9 percent, to £996 million, while Exxon's surged by a third.

Its cash flow rose 2 percent, to £2.5 billion, while capital spending fell 7 percent, to £1.4 billion.

(Bridge News, Bloomberg)

Iran Emerges as Leading Wheat Importer

Reuters

LONDON — Iran is emerging as the world's biggest wheat importer, a report released Thursday said, a development that puzzled analysis.

The London-based International Grains Council, a monitor of cereals markets, predicted that Iran would import 6.6 million metric tons of wheat in the 12-month period ending June 30. That volume would put it ahead of both Egypt and Japan.

The council did not offer an explanation for Iran's imports, which appear to be running at more than double the previous year's estimated volume.

Trade analysts said some of the wheat might be getting re-exported by Iran to other countries in the Middle East or Asia, such as Afghanistan. Pakistan closed its border with Afghanistan on March 29 to try to stop an illegal exodus of wheat that had caused flour shortages in Pakistan.

Iran subsidizes the bread supply of its 60 million people, and this may also be a factor pushing up consumption. Iran also suffered some earthquake damage to its wheat crops in March.

Australia, Canada and the European Union have made sales of wheat to Iran.

The council's prediction that Iran would import 6.6 million tons of wheat and flour surpassed the forecasts for Egypt (6.2 million tons) and Japan (6 million tons). The forecast for Iran was up sharply from an estimate of 5 million tons made a month ago and from the estimated total for the previous year of 3 million tons.

The council also forecast a record global harvest this year of coarse grains such as corn. Total production of maize, barley, sorghum rye and oats was forecast to rise to 895 million tons from 889 million, based on higher production in China and in Central and Eastern Europe.

A change in eating habits in Asia meant the extra grain was needed, the council said. As consumption of meat, especially pork and chicken, has risen, demand for maize, used to make animal feed, has also climbed.

Production of wheat was forecast to fall to 578 million tons from 580 million because of lower production in the United States and Europe.

Weather remained the big unknown, grain traders said. The United States has been hit by freezing temperatures and flooding, while the EU has suffered prolonged dry weather that has damaged crops in Britain and France.

The report was issued against a backdrop of renewed concern about high grain prices, with world stockpiles near 20-year lows. Wheat traded in Chicago was recently quoted at $4.50 a bushel, compared with $3.80 at the end of 1996.

Amid Heavy Demand, Bull Increases Share Offering

Compiled by Our Staff From Dispatches

PARIS — Groupe Bull, France's biggest computer maker, said Thursday it would increase the size of a share offering to individual investors because its initial sale was 21 times oversubscribed.

Bull will offer an additional 1.46 million shares, bringing the total number of shares sold to the public to 3.08 million. The government said 70,833 individuals had offered to buy Bull shares at 36 francs each, raising just over 110 million French francs ($18.8 million).

The move means institutional investors will be able to buy only 13.12 million shares, rather than 14.58 million. Bull said last week its offering to institutional investors at 38 francs a share had been 16 times oversubscribed, with 150 institutions ordering shares.

"These results clearly show the confidence the public and investors have in Bull's turnaround and, more generally, in the French government's privatization program," the Finance Ministry said.

The share sale will cut the state's stake in the computer maker nearly by half, to 17 percent. The state will also sell 1.8 million shares to current and former Bull employees at a preferential price, bringing its total sale to 18 million shares. That price was not disclosed.

The stock exchange said trading in Bull shares would resume Friday. Trading was suspended at 49.95 francs April 11 when the French government announced its plans to go ahead with the share sale.

The government currently holds 47.7 million shares in Bull, or 30.5 percent of its equity. After the sale, it will no longer be the largest shareholder in Bull, which it took over in 1982. Motorola Inc. of the United States, Japan's NEC Corp. and France Telecom SA each own 18.7 percent.

In 1996, Bull's profit rose 23 percent, to 376 million francs. Sales fell 1.9 percent, to 24.05 billion francs from 24.50 billion francs.

Separately, the government decided to suspend the sale of Societe Francaise de Production after Havas SA and Cie. Generale des Eaux SA withdrew their bid for the state-owned film production company, the Finance Ministry said.

(Bloomberg, AFP)

ING Comes to a Crossroads on Its Dillon Read Stake

Compiled by Our Staff From Dispatches

AMSTERDAM — ING Group NV said Thursday it was considering buying the 75 percent of Dillon Read & Co. it did not already own or selling its 25 percent stake.

Ruud Polet, an ING spokesman, said the company expected to make its decision in a few weeks. He said ING was holding talks with Dillon Read on how their relationship should continue after July 1.

ING acquired 40 percent of Dillon Read as part of its takeover of Barings PLC but later reduced its stake to 25 percent, Mr. Polet said.

An acquisition of Dillon would give ING an instant presence on Wall Street and help it catch up with its rival, ABN-AMRO Holding NV, which strengthened its U.S. presence late last year with the purchase of Standard Federal Bancorp.

"They want to become a global investment bank, and the biggest move will be in brokerage activities," said Hans Pluijgers, an analyst at Kempen & Co. in Amsterdam. "They know the company and won't buy a pig in a poke."

But a purchase also would be something of a surprise. Just six weeks ago, Aad Jacobs, ING's chairman, said the Dutch bank planned to sell its stake back to Dillon executives and said ING's next investment in the U.S. would be in a life insurer.

Dillon executives in London declined to comment on the discussions. Published reports in London said ING would pay between $425 million and $450 million for the 75 percent stake, or more than twice Dillon's estimated book value of $200 million. Dillon, with 680 employees, is no longer one of the top securities firms in the United States, lagging far behind Merrill Lynch & Co., Goldman, Sachs & Co. and Salomon Brothers Inc.

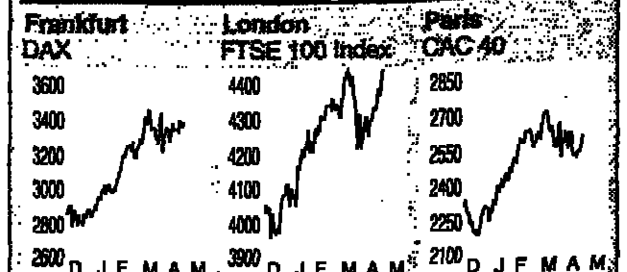
ING also said it was not in contact with Societe Centrale du GAN over taking a stake in the French concern once it was privatized.

But a spokesman said ING would not rule out studying any proposals that may be made concerning the insurer.

Denis Pfeiffer, GAN's chairman, listed a number of potential partners this week that included ING, as well as Fortis-Amev NV, Allianz AG, Assurances Generales de France and Assicurazioni Generali SpA.

(Bloomberg, AFX)

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	772.74	763.94	+1.25
Brussels	BEL-20	Closed	2,245.57	
Frankfurt	DAX	Closed	3,498.87	
Copenhagen	Stock Market	545.10	545.38	-0.05
Helsinki	HEX General	Closed	2,933.26	
Oslo	OBX	Closed	600.74	
London	FTSE 100	4,445.08	4,426.80	+0.20
Madrid	Stock Exchange	Closed	513.95	
Milan	MIBTEL	Closed	12277	
Paris	CAC 40	Closed	2,639.48	
Stockholm	SX 16	Closed	2,797.36	
Vienna	ATX	Closed	1,184.23	
Zurich	SPI	Closed	3,094.66	

Source: Telekurs — International Herald Tribune

Very briefly:

- **Toyota Motor Corp.** could announce a decision about a second automobile plant in Europe by the end of May, the automaker said. Toyota already builds passengers cars in Burnaston, England.
- **Boosey & Hawkes PLC**'s shares hit a one-year high of 905 pence ($14.76) before easing to 895, up 27.5, on news that **Carl Fischer Inc.** had put its 45.3 percent stake in the musical-instrument maker and publishing concern up for sale.
- **Switzerland** plans to raise its value-added tax on goods from 6.5 percent to 7.5 percent in 1999 to try to shore up the financially strapped state pension system. The plan still needs approval by Parliament.
- **ConAgra Inc.**'s United Agri Products unit formed a venture in South Africa with **Zeneca Agrochemicals** of England to supply chemicals to farmers.
- **Bayer AG**'s pretax profit rose 5 percent in the first quarter, to 1.21 billion Deutsche marks ($700 million).
- **Schering AG** plans to buy back about 500 million DM of its shares to prevent a hostile takeover, a newspaper report said. The price it would offer was not known; the drugmaker's shares last closed in Frankfurt at 167.50 DM.
- **Andersen Worldwide**'s partners voted against spinning off its **Andersen Consulting** unit from its **Arthur Anderson & Co.** accounting business.
- **Philips Electronics NV** introduced the first digital videodisc player in the United States and launched a joint rental program with a **PolyGram NV** unit, PolyGram Video. The rental program allows U.S. consumers to rent Philips Magnavox digital videodisc players and PolyGram DVD titles.
- **Russia** began enforcing a law requiring Russian-language labels on all food products sold in the country.

Bloomberg News, Reuters, AFP, AFX

LABOUR: *Hopeful Chancellor of the Exchequer Hews to the Party Line – the Tory Line*

Continued from Page 15

and now stands nearly 8 percent above its levels of the beginning of the year. The prospect of change — and of Labour, no less — has failed to dent Britain's rallying currency.

If anything, the pound has strengthened on the likelihood of a new government's taking swift action to brake an economy that bounded ahead at a 4 percent a year clip in the first quarter.

In his first major act as chancellor of the Exchequer, Mr. Brown is widely expected to take the advice of the governor of the Bank of England and raise interest rates shortly after the two men meet to discuss monetary policy on May 7th.

Economists see a number of reasons why Mr. Brown might make such a move. First of all he could use it to quickly begin building a reputation as an "iron chancellor," one determined to take no chances with inflation.

Paying heed to the governor's advice would also be consistent with Labour's stated aim of creating a more powerful and independent central bank.

Finally, said David Mackie, an economist with J.P. Morgan, it would permit Mr. Brown to "shift the blame" to his predecessor, Kenneth Clark, who resisted the governor's calls for an increase in interest rates for months despite mounting evidence of an economic over-heating.

Mr. Brown has said that in June he would unveil a sort of minibudget, a half year ahead of the formal presentation of the government's tax and spending plans.

The June budget is expected to contain details of the sole policy initiative that has set Labour apart in the campaign — a one-time-only windfall profits tax on privatized utilities. The proceeds, estimated to run to 3 to 5 million pounds, would then be applied to job training and programs to subsidize jobs for the long term unemployed.

The crucial questions about Labour's economic policies would not be answered until the autumn budget. Then, warns Andrew Dilnot, director of the Institute of Fiscal Studies, "Labour's mettle will be severely tested."

At that point the tight reign on public spending set by the Conservatives and adopted by Labour will be beginning to hurt.

Rather than expanding at the 1.9 percent clip that it averaged in the 18 years of Conservative rule, government spending is set to grow at barely a quarter of that rate until the end of the decade.

SKY: *Boeing and 2 Billionaires Make Teledesic a Work in Progress*

Continued from Page 15

are planning global or regional Internet satellite services using single geostationary satellites. They include Hughes Electronics Corp., Lockheed Martin Corp. and AT&T Corp.

Getting Teledesic off the ground will not be easy. Boeing must find a way to mass-produce highly sophisticated satellites at unprecedented low costs and find a way to launch them all by Teledesic's projected start date of 2002.

Moreover, Teledesic's technology, while successful in laboratories, is unproven in space. It calls for an individual customer's Internet data to be transmitted in huge quantities to a low-orbiting satellite, then down directly to the customer's computer. One satellite would handle signals in the several-minute period that it passes overhead, then "hand-off" to another satellite in a computer-controlled coordination.

Though the prime purpose would be Internet access, the system could also be used to carry telephone calls.

Mr. Gates and Mr. McCaw, who have jointly invested less than $100 million in Teledesic so far, will now begin lining up other funding. Among others, they will ask the world's major telecommunications companies to be investors and service partners.

For customers, the company intends at first to focus on businesses and institutions that need high-speed Internet connections but are located in areas too remote for land-based fiber optics. Mr. McCaw has also said he plans to provide remote villages in underdeveloped countries with Internet and telephone service, a pledge that has helped Teledesic win international support.

Mr. McCaw and Mr. Gates originally planned to launch 840 satellites, each weighing about 1,760 pounds (792 kilograms) and orbiting Earth at an altitude of 220 miles. But Boeing engineers have persuaded Teledesic officials to adopt a scaled-down plan using 288 satellites plus spares for use when others fail. The current plan calls for the satellites to fly at about 435 miles and weigh 2,860 pounds each. Instead of costing $5 million each, as they would under the old plan, the satellites would cost $20 million each.

Kohl's Party Denies Getting Funds From Elf-Aquitaine

By John Schmid
International Herald Tribune

FRANKFURT — Chancellor Helmut Kohl's party has adamantly denied reports in the French press that it accepted illegal political contributions from the French oil company Elf-Aquitaine in connection with Elf's 1992 acquisition of a petrochemical plant and a chain of gasoline stations in Eastern Germany.

In addition, the public prosecutor's office in Paris, which has been investigating some former Elf managers, said Wednesday it had no evidence to suggest Mr. Kohl's Christian Democratic Union had received secret funds.

Despite the denials, German opposition politicians called for the government to issue a parliamentary report on the matter.

The French daily Le Parisien said Tuesday that former Elf managers had used an intermediary to channel 13.5 million Deutsche marks ($7.8 million) to Mr. Kohl's party in 1992, the year that Elf completed a politically sensitive agreement to acquire the Leuna refinery and the Minol gas stations in Germany. Similar reports appeared in two French newsmagazines. Under German law, a political party cannot accept donations from foreign-owned companies.

A spokeswoman for Elf in Paris declined to comment. French prosecutors did confirm, however, that the Elf investigation, which began in August 1994, had once again been broadened, this time to trace 13.5 billion DM that was missing.

Peter Struck, parliamentary whip for the Social Democrats, called for an accounting from the government.

"Should it turn out that extraneous considerations played a role in granting the contract to Elf-Aquitaine, then there will certainly be considerable consequences," he said.

Peter Hintze, secretary-general of Mr. Kohl's party, said, "The CDU has never received funds from France, either directly or indirectly." He said the allegations had been planted to damage French-German relations.

WORLD STOCK MARKETS

Thursday, May 1
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 772.74 — Previous: 763.34

	High	Low	Close	Prev.
ABN-AMRO	137	135.50	136.50	133.90
Aegon	140	137.70	138.10	138
Ahold	136.40	133.80	135.90	133
Akzo Nobel	255.60	252.90	253.30	251
Baan Co.	107	103.90	105.50	102.10
Bols Wess cva	39.30	38.60	38.90	39.10
CSM cva	112	110.50	111.90	111.90
Dordtsche Pet	375.50	367.50	370	369
DSM	199.50	195.60	195.60	194
Elsevier	31.60	31.10	31.20	31.20
Fortis Amev	76	74.10	76	73.50
Getronics	62	59.50	61.70	59
G-Brocades cva	65.20	64	64.80	64
Hagemeyer	171	167.90	169	169.50
Heineken	335.30	327	333.60	326.50
Hoogovens cva	90	89.10	89.70	89
Hunter Douglas	162.90	160	162.90	159
ING Group	78.20	77.40	78	76.50
KLM	58.20	57.50	57.90	57.60
KNP BT	38.60	38.20	38.40	38.40
KPN	70.20	69.40	69.90	69.20
Nedlloyd Gp	45.10	44.50	44.90	44.70
Nutricia	299	294	294.50	295.60
Oce-Grinten	239.90	236.50	238	235.70
Philips Elec	106.30	103.60	106.30	101.70
Polygram	97	95.80	97	95.50
Randstad Hdg	177	173.50	175.50	175
Robeco	164.60	163.50	163.50	160.20
Rodamco	60.80	60.20	60.50	60.50
Rolinco	167.10	166.80	166.80	162.70
Rorento	109.20	109.20	109.20	109
Royal Dutch	353	345.40	347.50	348.20
Unilever cva	383.40	380.40	381.40	378.90
Vendex Intl	93	92.10	92.70	92.50
VNU	40.80	40.10	40.40	40.30
Wolters Kl cva	232.90	228.10	229.90	230.90

Markets Closed

Many markets were closed Thursday for the May Day holiday.

Copenhagen
Stock Index: 545.10 — Previous: 545.38

	High	Low	Close	Prev.
BG Bank	291	288	290	289
Carlsberg B	412	405	409.59	406
Codan Fors	870	864	870	870
Danisco	390	384	388	382
Den Danske Bk	575.58	567	574.43	570
D/S Svendborg B	302302	301698	302302	299000
D/S 1912 B	213000	209000	212000	209000
FLS Ind B	985	979.02	979.02	975
Kob Lufthavne	670	663.34	665	667
Novo Nordisk B	656	653	655	652
Sophus Ber B	810	805	807.19	800
Tele Danmk B	325.67	320	323.93	317
Tryg Baltica	345	345	345	344
Unidanmark A	332.33	328	329	326

Hong Kong
Hang Seng: 13020.78 — Previous: 12982.38

	High	Low	Close	Prev.
Amoy Props	7.85	7.65	7.80	7.65
Bk East Asia	26.95	26.60	26.90	26.65
Cathay Pacific	11.75	11.45	11.75	12.05
Cheung Kong	69.75	68	69.50	68
CK Infrastruct	21.90	21.80	21.90	21.95
China Light	35.10	34.70	34.80	35
Citic Pacific	42.60	41.80	42.10	41.80
Dao Heng Bk	37.20	36.50	36.90	36.80
First Pacific	9.50	9.25	9.45	9.25
Hang Lung Dev	14.40	14.30	14.35	14.35
Hang Seng Bk	88.25	86.75	88	87
Henderson Inv	8.15	8	8.10	8.05
Henderson Ld	66.75	64.75	66.25	64.25
HK China Gas	12.45	12.30	12.45	12.35
HK Electric	26.60	26.45	26.60	27.40
HK Telecomm	13.40	13.30	13.40	13.30
Hopewell Hdgs	4.03	3.98	4	4.03
HSBC Hdgs	196	194	195	195.50
Hutchison Wh	59	57.25	58.75	57.50
Hysan Dev	22.30	21.20	22.25	21.40
Johnson El Hdg	21	20.95	21	21
Kerry Props	18.40	17.75	18	17.75
New World Dev	46.60	44.90	46	44.70
Oriental Press	2.93	2.85	2.90	2.90
Pearl Oriental	3.05	3	3.03	3.05
SHK Props	86.50	83.50	86.50	84
Shun Tak Hdgs	5.15	5.05	5.10	5.10
Sino Land Co.	8	7.35	8	7.35
Sth China Post	6.70	6.65	6.70	6.65
Swire Pac A	59.75	58.50	59.50	59.75
Wharf Hdgs	29.30	28.35	29.30	29.30
Wheelock	16.30	15.95	16.25	16.10

Jakarta
Composite Index: 658.46 — Previous: 652.05

	High	Low	Close	Prev.
Astra Intl	5975	5925	5975	5900
Bk Intl Indon	1750	1700	1725	1750
Bk Negara	1550	1375	1500	1350
Gudang Garm	9900	9275	9450	10200
Indocement	3225	2950	3075	3300
Indofood	5225	5000	5175	5025
Indosat	6700	6650	6700	6700
Sampoerna HM	9775	9700	9750	9775
Semen Gresik	6300	6000	6300	5925
Telekomunikasi	3500	3450	3500	3525

London
FT-SE 100: 4445.80 — Previous: 4426.80

	High	Low	Close	Prev.
Abbey Natl	8.66	8.42	8.44	8.57
Allied Domecq	4.37	4.31	4.33	4.37
Anglian Water	6.78	6.66	6.74	6.71
Argos	6.46	6.35	6.44	6.43
Asda Group	1.16	1.15	1.15	1.15
Assoc Br Foods	5.92	5.36	5.37	5.33
BAA	5.18	5.05	5.12	5.12
Barclays	11.48	11.45	11.48	11.48
Bass	8.03	7.93	8.01	7.97
BAT Ind	5.25	5.15	5.18	5.21
Bank Scotland	3.75	3.66	3.69	3.70
Blue Circle	4.21	4.17	4.20	4.19
BOC Group	9.50	9.43	9.48	9.46
Boots	7.03	6.90	7.02	6.92
BPB Ind	3.37	3.31	3.36	3.33
Brit Aerosp	13.15	13.06	13.09	13.11
Brit Airways	7.01	6.94	6.99	7.06
BG	1.82	1.78	1.81	1.79
Brit Land	5.87	5.79	5.85	5.79
Brit Petm	7.12	7.03	7.07	7.08
BSkyB	5.72	5.65	5.71	5.69
Brit Steel	1.40	1.37	1.39	1.42
Brit Telecom	4.58	4.45	4.57	4.53
BTR	2.59	2.48	2.52	2.53
Burmah Castrol	10.20	10.08	10.16	10.13
Burton Gp	1.53	1.52	1.53	1.53
Cable Wireless	4.80	4.73	4.78	4.76
Cadbury Schw	5.18	5.12	5.17	5.14
Carlton Comm	5.14	5.01	5.10	5.05
Coml Union	7.11	6.84	6.95	6.83
Compass Gp	6.82	6.75	6.75	6.77
Courtaulds	3.35	3.25	3.28	3.33
Dixons	5.14	5.06	5.12	5.06
Electrocomponents	3.97	3.92	3.93	3.95
EMI Group	12.42	12.20	12.31	12.24
Energy Group	4.89	4.83	4.87	4.88
Enterprise Oil	6.15	6.11	6.14	6.08
Fam Colonial	1.55	1.54	1.55	1.53
Genl Accident	8.99	8.76	8.95	8.80
GEC	3.68	3.63	3.66	3.67
GKN	9.56	9.48	9.54	9.51
Glaxo Wellcome	12.13	10.93	12.02	12.14
Granada Gp	8.99	8.87	8.89	8.90
Grand Met	5.18	5.10	5.11	5.16
GRE	2.88	2.76	2.84	2.77
Greenalls Gp	5.01	4.98	5	4.99
Guinness	5.18	5	5.02	5.10
GUS	6.57	6.36	6.52	6.38
Hays	5.60	5.45	5.60	5.47
HSBC Hldgs	15.75	15.52	15.75	15.54
ICI	7.05	6.98	7.01	7.01
Impl Tobacco	4.20	4.01	4.03	4.05
Kingfisher	6.94	6.67	6.83	6.68
Ladbroke	2.34	2.30	2.33	2.32
Land Sec	8.12	8	8.05	8.02
Lasmo	2.27	2.22	2.24	2.24
Legal Genl Grp	4.34	4.13	4.30	4.14
Lloyds TSB Gp	5.72	5.50	5.50	5.64
LucasVarity	1.93	1.86	1.92	1.87
Marks Spencer	4.95	4.88	4.93	4.90
MEPC	4.64	4.59	4.62	4.53
Mercury Asset	13.46	13.38	13.44	13.37
National Grid	2.25	2.20	2.25	2.24
Natl Power	5.36	5.27	5.33	5.34
NatWest	7.40	7.18	7.26	7.30
Next	6.58	6.51	6.55	6.52
Orange	2.17	2.15	2.16	2.16
P&O	6.13	6.05	6.11	6.01
Pearson	7.15	7.08	7.10	7.09
Pilkington	1.13	1.09	1.13	1.11
PowerGen	6.55	6.42	6.52	6.46
Premier Farnell	4.70	4.62	4.69	4.69
Prudential	6.17	5.98	6.16	6.01
Railtrack PP	4.67	4.60	4.62	4.66
Rank Group	4.30	4.23	4.29	4.24
Reckitt Colm	8.46	8.35	8.42	8.38
Redland	3.52	3.48	3.51	3.50
Reed Intl	11.63	11.37	11.45	11.38
Rentokil Initial	4.06	4.03	4.05	4.05
Reuters Hldgs	6.61	6.30	6.60	6.35
Rexam	3.03	2.87	2.97	3.01
RMC Group	9.43	9.28	9.32	9.43
Rolls Royce	2.44	2.40	2.43	2.43
Royal Bk Scot	5.92	5.78	5.83	5.85
RTZ reg	9.92	9.76	9.90	9.79
Royal & Sun All	4.97	4.80	4.84	4.89
Safeway	3.71	3.38	3.40	3.41
Sainsbury	3.37	3.31	3.34	3.32
Schroders	15.95	15.74	15.80	15.80
Scot Newcastle	6.69	6.63	6.67	6.66
Scot Power	3.74	3.40	3.73	3.73
Securicor	2.86	2.84	2.86	2.84
Severn Trent	7.60	7.52	7.53	7.55
Shell Transp R	10.95	10.77	10.85	10.90
Siebe	9.19	9.11	9.16	9.13
Smith Nephew	1.75	1.73	1.74	1.75
SmithKline	10	9.85	9.98	9.91
Smiths Ind	7.58	7.55	7.57	7.56
Sthern Elec	4.42	4.35	4.37	4.38
Stagecoach	5.98	5.93	5.97	5.95
Stand Charter	9.44	9.33	9.35	9.34
Tate & Lyle	4.96	4.58	4.63	4.60
Tesco	3.59	3.56	3.58	3.57
Thames Water	6.81	6.73	6.80	6.78
3i Group	5.13	5.05	5.10	5.07
TI Group	5.35	5.25	5.34	5.28
Tomkins	2.72	2.65	2.70	2.67
Unilever	16.35	16.20	16.24	16.23
Utd Assurance	4.95	4.90	4.92	4.89
Utd News	7.55	7.49	7.50	7.53
Utd Utilities	6.82	6.65	6.73	6.79
Vendome Lx uts	5.17	5.10	5.17	5.11
Vodafone	2.76	2.72	2.74	2.76
Whitbread	7.72	7.65	7.69	7.69
Williams Hdgs	3.32	3.17	3.19	3.33
Wolseley	4.97	4.88	4.91	4.96
WPP Group	2.56	2.50	2.55	2.53
Zeneca	18.62	18.37	18.56	18.60

Montreal
Industrials Index: 2971.43 — Previous: 2972.64

	High	Low	Close	Prev.
Bce Mob Com	43¼	42.80	42.80	43.80
Cdn Tire A	25.35	25.35	25.35	25.30
Cdn Util A	33¼	32.80	33	32.70
CT Finl Svc	33.30	33.30	33.30	33.35
Gaz Metro	17.20	17.10	17.15	17.15
Gt-West Lifeco	23.70	23.70	23.70	23.70
Imasco	38.30	38	38.30	38.05
Investors Grp	25.65	25.35	25.55	25.65
Loblaw Cos	17.40	17.30	17.10	17.20
Natl Bk Canada	16.60	16¼	16.35	16.30
Power Corp	29.60	28.85	29½	29¼
Power Finl	26⅛	26.10	26¼	26.40
Quebecor B	24	23.90	24	24
Rogers Comm B	7⅝	7.45	7.45	7.35
Royal Bk Cda	57	55.85	56¼	55.85

Sydney
All Ordinaries: 2485.40 — Previous: 2488.80

	High	Low	Close	Prev.
Amcor	8.46	8.30	8.32	8.44
ANZ Bking	8.29	8.17	8.22	8.19
BHP	18.10	17.90	18.08	18.08
Boral	3.80	3.75	3.80	3.78
Brambles Ind.	23.55	23	23.40	23.20
CBA	14	13.90	14	13.93
CC Amatil	14.70	14.50	14.60	14.66
Coles Myer	6.24	6.19	6.20	6.23
Comalco	6.49	6.30	6.30	6.50
CRA	19.12	18.91	19.03	19.12
CSR	4.78	4.73	4.75	4.74
Fosters Brew	2.65	2.53	2.55	2.64
Goodman Fld	1.69	1.67	1.68	1.68
ICI Australia	12.46	12.30	12.41	12.04
Lend Lease	24.75	24.20	24.20	24.54
MIM Hdgs	1.70	1.64	1.70	1.67
Nat Aust Bank	17.58	17.38	17.56	17.55
Nat Mutual Hdg	1.94	1.90	1.92	1.90
News Corp	5.94	5.84	5.93	5.91
Pacific Dunlop	3.46	3.40	3.42	3.46
Pioneer Intl	4.25	4.21	4.24	4.22
Pub Broadcast	6.80	6.74	6.75	6.77
St George Bank	7.96	7.88	7.95	7.88
WMC	7.60	7.50	7.58	7.60
Westpac Bking	6.99	6.88	6.91	6.91
Woodside Pet	10.29	10.23	10.27	10.20
Woolworths	3.90	3.76	3.88	3.78

Tokyo
Nikkei 225: 19275.33 — Previous: 19151.12

	High	Low	Close	Prev.
Ajinomoto	1190	1130	1140	1160
All Nippon Air	769	750	750	746
Amway	4030	3890	4010	3870
Asahi Bank	795	763	769	777
Asahi Chem	766	710	720	740
Asahi Glass	1180	1150	1160	1150
Bk Tokyo Mitsu	2060	2010	2010	2010
Bk Yokohama	540	520	530	519
Bridgestone	2780	2730	2730	2700
Canon	3050	3010	3030	3010
Chubu Elec	2090	2040	2070	2070
Chugoku Elec	2080	2030	2030	2030
Dai Nipp Print	2410	2360	2370	2290
Daiei	630	615	618	607
Dai-Ichi Kang	1440	1400	1400	1390
Daiwa Bank	423	410	418	410
Daiwa House	1370	1320	1350	1420
Daiwa Sec	853	823	823	845
DDI	8620a	8510a	8610a	8430a
Denso	2920	2840	2850	2890
East Japan Ry	5490a	5340a	5350a	5490a
Eisai	2250	2220	2250	2200
Fanuc	4400	4290	4310	4330
Fuji Bank	1500	1410	1430	1430
Fuji Photo	4920	4840	4840	4850
Fujitsu	1370	1340	1350	1320
Hachijuni Bk	1140	1120	1120	1140
Hitachi	1230	1170	1210	1150
Honda Motor	3970	3870	3880	3940
IBJ	1370	1330	1330	1350
IHI	491	480	485	473
Itochu	607	590	596	601
Ito-Yokado	6310	6090	6120	6090
JAL	507	501	506	504
Japan Tobacco	8190a	8100a	8100a	8090a
Jusco	4110	3910	4030	3900
Kajima	623	596	604	578
Kansai Elec	2220	2180	2200	2220
Kao	1490	1460	1480	1480
Kawasaki Hvy	518	502	516	501
Kawa Steel	383	375	379	375
Kinki Nipp Ry	711	703	706	704
Kirin Brewery	1150	1110	1140	1100
Kobe Steel	236	234	236	231
Komatsu	966	952	953	928
Kubota	602	575	587	586
Kyocera	7690	7540	7560	7600
Kyushu Elec	2080	2040	2050	2080
LTCB	352	346	351	341
Marubeni	487	479	482	471
Marui	2240	2130	2150	2090
Matsu Comm	3350	3300	3300	3280
Matsu Elec Ind	2100	2050	2070	2030
Matsu Elec Wk	1330	1300	1300	1290
Mitsubishi	1250	1210	1210	1190
Mitsubishi Ch	433	421	421	427
Mitsubishi El	712	701	710	695
Mitsubishi Est	1640	1600	1610	1600
Mitsubishi Hvy	842	830	831	838
Mitsubishi Mat	888	878	887	880
Mitsubishi Tr	1480	1420	1450	1360
Mitsui	990	972	986	969
Mitsui Fudosan	1490	1460	1470	1450
Mitsui Trust	781	742	765	724
Murata Mfg	4810	4700	4720	4730
NEC	1590	1560	1570	1550
Nikon	1850	1800	1810	1820
Nikko Sec	728	711	711	708
Nintendo	9370	9280	9370	9210
Nipp Express	885	861	871	875
Nippon Oil	605	591	592	598
Nippon Steel	372	364	371	362
Nissan Motor	787	753	767	747
NKK	279	272	272	274
Nomura Sec	1460	1420	1430	1420
NTT	9880a	9650a	9690a	8950a
NTT Data	3900b	3760b	3780b	3710b
Oji Paper	718	663	685	641
Osaka Gas	306	298	301	304
Ricoh	1540	1510	1510	1510
Rohm	10000	9850	9850	9680
Sakura Bk	700	673	674	671
Sankyo	3480	3370	3380	3400
Sanwa Bank	1410	1350	1370	1360
Sanyo Elec	506	486	486	489
Secom	7590	7490	7520	7550
Seibu Rwy	6250	6100	6100	6100
Sekisui Chem	1250	1220	1230	1220
Sekisui House	1120	1090	1120	1130
Seven-Eleven	8050	7920	7950	8050
Sharp	1680	1640	1640	1650
Shikoku El Pwr	1990	1930	1930	1920
Shimizu	628	604	605	603
Shin-etsu Ch	2610	2580	2590	2540
Shiseido	1840	1790	1790	1820
Shizuoka Bk	1150	1130	1140	1130
Softbank	7700	7500	7500	7450
Sony	9320	9240	9260	9240
Sumitomo	878	854	855	854
Sumitomo Bk	1540	1470	1490	1450
Sumit Chem	544	530	534	525
Sumitomo Elec	1750	1720	1720	1720
Sumit Metal	324	319	319	316
Sumit Trust	1130	1090	1110	1050
Taisho Pharm	3200	3130	3130	3140
Takeda Chem	2990	2940	2960	2930
TDK	9240	9170	9220	9150
Tohoku El Pwr	1980	1920	1940	1950
Tokai Bank	959	925	938	945
Tokio Marine	1280	1250	1250	1240
Tokyo El Pwr	2270	2250	2260	2250
Tokyo Electron	4930	4830	4880	4900
Tokyo Gas	305	295	295	303
Tokyu Corp.	671	656	658	666
Tonen	1210	1190	1200	1190
Toppan Print	1650	1630	1640	1640
Toray Ind	805	785	787	790
Toshiba	737	720	734	712
Tostem	3000	2950	2970	2980
Toyo Trust	890	840	840	849
Toyota Motor	3750	3670	3680	3680
Yamanouchi	2750	2720	2740	2710

a: x 100; b: x 1,000

Toronto
TSE Industrials: 5980.17 — Previous: 5976.63

	High	Low	Close	Prev.
Abitibi Price	23.60	23.35	23.35	23.55
Alberta Energy	30½	30	30.10	30.05
Alcan Alum	47.45	46.65	46¾	47.40
Anderson Expl	16.35	14.10	16.35	16.15
Bk Montreal	51½	50½	51.45	50.70
Bk Nova Scotia	54	53.05	53.85	53.05
Barrick Gold	31.40	31	31½	31.05
BCE	66.40	65.30	65.90	65.40
BC Telecomm	28.20	27.95	28	28
Biochem Pharma	25⅝	25	25⅝	24.95
Bombardier B	28.65	27.90	28	28.30
Brascan A	33.85	33.65	33¾	33.90
Bre-x Minerals	3.57	2.90	3.05	3.48
Cameco	48½	47.30	48½	47.30
CIBC	32.70	32.15	32.45	32.10
Cdn Natl Rail	54.90	53.80	54.60	53½
Cdn Nat Res	33½	33.35	33½	33.30
Cdn Occid Pet	27.65	26¾	26.95	27.55
Cdn Pacific	34.40	33.55	33.60	34¼
Cominco	36½	36.05	36.10	36
Dofasco	24	23.80	23.80	23.95
Domtar	11.90	11¾	11¾	11.90
Donohue A	28.90	27.90	28.30	28.80
Du Pont Cda A	35	34½	34.65	35
Edper Group	23.10	23	23	23.05
EuroNev Mng	40½	39.55	39.95	40.10
Fairfax Finl	299	296	296	299
Falconbridge	29.40	29	29.15	29
Fletcher Chall A	23.85	23.15	23½	23½
Franco Nevada	65	64.05	64½	65
Gulf Cda Res	11.55	11¼	11¼	11.45
Imperial Oil	64½	63.30	63.40	64
Inco	45.20	44.40	44¾	44¾
IPL Energy	41.85	41.45	41¾	41¾
Laidlaw B	19	18.85	18.95	19.05
Loewen Group	40.40	39.85	39.95	40.35
Macmill Bldl	19.30	18.85	19.20	19.10
Magna Intl A	73.55	72¾	73.15	73.10
Methanex	13.15	13.05	13.10	13.10
Moore	28.60	28.20	28.35	28.35
Newbridge Net	44.70	43.80	43.85	44.60
Noranda Inc	29.60	29¼	29¼	29½
Norcen Energy	28.15	27.80	28.15	28
Nthern Telecom	102.60	100.60	101.15	101.60
Nova	11.90	11¾	11.80	11.90
Onex	23¾	23.30	23½	23½
Pancdn Petlm	56¼	56	56	56¼
Petro Cda	22.95	22.65	22.70	22.80
Placer Dome	23.30	22½	22.95	22.85
Poco Petlm	14.10	13.80	14.05	13.90
Potash Sask	110½	107	109¾	107.85
Renaissance	38.80	38	38.40	38.70
Rio Algom	35.90	34.80	35.60	35½
Rogers Cantel B	24.20	24.20	24.20	24.30
Seagram Co	53.70	52¾	53	53.55
Shell Cda A	58¼	57	57	57.40
Stone Consold	23.65	23.30	23.35	23.40
Suncorp Energy	64	63.05	64	64
Talisman Eny	42.10	41.70	41.80	41.40
Teck B	27.80	27	27.10	27.65
Teleglobe	39½	39.30	39.35	39.55
Telus	20.10	19.90	19.95	20.10
Thomson	29.40	29.05	29.35	29.10
TorDom Bank	39.85	39.40	39.80	39½
Transalta	15.60	15.35	15.40	15⅜
TransCda Pipe	25.85	25.45	25.60	25.55
Trimark Finl	43.35	42¾	43.30	43
Trizec Hahn	31.45	30½	31.30	30½
TVX Gold	7.85	7.55	7.85	7.80
Westcoast Eny	24.10	23.85	23.90	24.10
Weston	76	74	76	75

Wellington
NZSE-40 Index: 2266.11 — Previous: 2261.93

	High	Low	Close	Prev.
Air N Zeald B	4.17	4.15	4.17	4.17
Brierly Inst	1.28	1.27	1.28	1.27
Carter Holt ord	3.20	3.15	3.19	3.20
Fletch Ch Bldg	4.08	4.05	4.06	4.05
Fletch Ch Eny	4.20	4.15	4.15	4.19
Fletch Ch Forst	2.02	1.97	2.02	1.99
Fletch Ch Paper	3.21	3.16	3.19	3.20
Lion Nathan	3.51	3.44	3.50	3.47
Telecom NZ	6.51	6.45	6.50	6.47
Wilson Horton	11.65	11.45	11.45	11.65

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	154.59	-0.03	-0.02	+3.65
Regional Indexes				
Asia/Pacific	112.02	+1.25	+1.13	-9.24
Europe	163.58	+0.74	+0.45	+1.48
N. America	179.52	-2.30	-1.26	+10.88
S. America	144.91	+0.01	+0.01	+26.64
Industrial Indexes				
Capital goods	189.60	-0.05	-0.03	+10.93
Consumer goods	175.62	-1.05	-0.59	+8.79
Energy	181.67	-1.43	-0.78	+6.42
Finance	112.49	+0.69	+0.62	-3.41
Miscellaneous	156.43	+1.01	+0.65	-3.31
Raw Materials	180.74	-0.28	-0.15	+3.06
Service	144.75	+1.05	+0.73	+5.41
Utilities	133.68	+0.33	+0.25	-6.82

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. *Compiled by Bloomberg News.*

NYSE

Thursday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
A-B-C										
D-E-F										
G-H-I										
J-K-L										
M-N-O										
P-Q-R										
S-T-U										
V-W-X										
Y-Z										

Continued on Page 20

DID YOU MISS A DAY THIS WEEK?

This past week's front pages are available for viewing on the IHT site on the World Wide Web.

http://www.iht.com

ASIA/PACIFIC

U.S. Trade Debate Is Crucial to China's Growth

By Steven Mufson
Washington Post Service

BEIJING — As the U.S. Congress prepares to debate the renewal of the so-called most-favored-nation trade privileges that give China easy access to American markets, Beijing's stake in maintaining its trade status is larger than ever, economists and business people here say.

U.S. consumers are supporting China's rapid economic growth by buying 18 percent of China's exports, which now total about $151 billion a year. U.S. companies provide specialized machinery and technology in areas such as aircraft, computer software and medicine.

In addition, China, which needs to create tens of millions of jobs every year, needs American investors to help meet the $50 billion annual investment target in China's five-year plan. A disruption in exports to the United States would ripple through the entire economy.

The transfer of Hong Kong from British to Chinese control, set for July 1, only heightens

NEWS ANALYSIS

the importance to China of avoiding a trade conflict that could damage confidence in Hong Kong's status as a world trade and financial center. Chinese leaders "certainly don't want to get into a trade war this year," said John Seel, a regional economist for Bear Stearns in Hong Kong. "The last thing they'd want is that kind of instability."

Loss of most-favored-nation status, which Washington currently denies to only seven nations, would hurt China's ability to compete in U.S. markets by sharply increasing tariffs.

President Bill Clinton must soon decide whether China's progress on human rights justifies renewing its trade status. Congress can then pass a resolution overturning his decision. Although it has been renewed each year, China's trading status has been subject to sharp debate in Congress since Beijing violently suppressed student pro-democracy demonstrations in 1989.

The high stakes help explain why China already has been visited this year by more than 20 percent of the members of the U.S. Congress and why its foreign minister, Qian Qichen, held amicable talks this week with the U.S. secretary of state, Madeleine Albright, and Republican leaders in Congress.

With lawmakers from both parties in Congress talking about revoking its most-favored-nation status, China will need some extra friends. This week, it is getting a boost from about 30 Beijing-based U.S. business executives who are knocking on doors in Congress to urge that the trade status be renewed.

The link between U.S. trade and China's economic growth cannot be severed, however. In the unlikely event that China's most-favored-nation trade status were revoked, it "might chop three to four percentage points from China's growth in the first year," according to Joan Zheng, an economist with J.P. Morgan.

That is because China would not be able to find other markets big enough to absorb the goods it exported to the United States, the largest consumer market in the world.

A disruption in exports to the United States would ripple through the entire Chinese economy, far beyond the export-boom areas along the coast. The coastal province of Guangdong has about 7 million workers from other provinces who send billions of dollars to their families in poorer regions.

Hong Kong also would be hurt if Chinese trade with the United States were disrupted, because billions of dollars of goods pass through Hong Kong en route from China to the United States each year.

The United States also has an economic interest in trade ties. China accounts for a significant slice of U.S. exports, provides a source of cheap consumer goods and buys the biggest share of U.S. Treasury bonds.

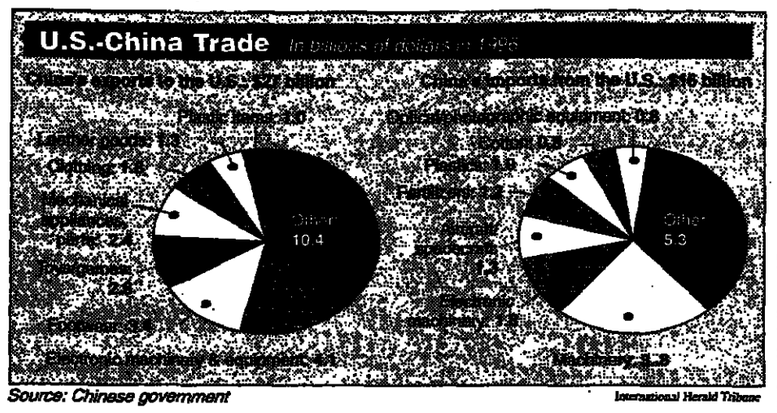
"If we don't trade with China, then we don't exist," said Roberta Lipson, a top executive of U.S.-China Industrial Exchange, which has sales representatives for U.S. companies in a dozen Chinese cities. Last year, she said, the firm sold about $35 million of goods, mostly medical and mining equipment, to China.

These exports still leave the United States with a big trade deficit with China — about $30 billion, according to U.S. figures, or $11 billion according to Chinese data, which place a different value on items shipped through Hong Kong.

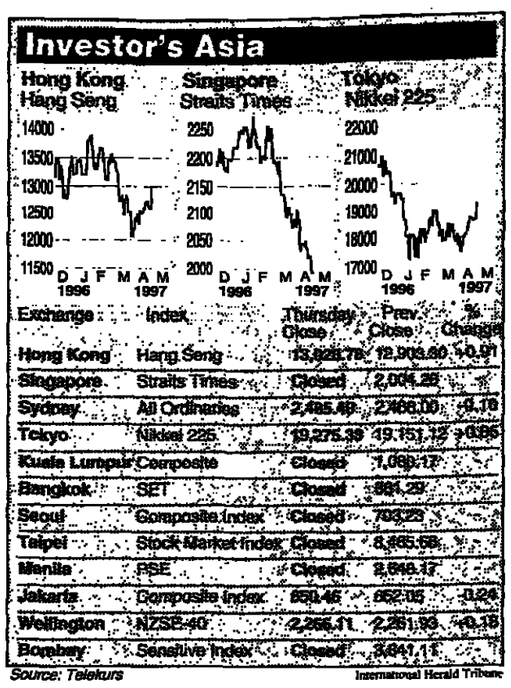
But even the trade figures understate the importance of China for the United States, analysts say. Laurence Brahm, a consultant with Naga Consulting in Beijing, said 33 percent of Chinese exports came from enterprises that had been created through foreign investment.

Many U.S. multinational corporations favor continued trade to protect their investments in China.

Coca-Cola Co. and its two Asian partners have invested about $500 million here, and the Kentucky Fried Chicken unit of PepsiCo Inc. has invested more than $100 million and plans to spend a further $200 million, according to a report by the Economist Intelligence Unit.



Source: Chinese government
International Herald Tribune



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,821.79	12,903.80	+0.91
Singapore	Straits Times	Closed	2,004.26	
Sydney	All Ordinaries	2,485.40	2,468.00	+0.70
Tokyo	Nikkei 225	19,275.39	19,151.12	+0.65
Kuala Lumpur	Composite	Closed	1,089.17	
Bangkok	SET	Closed	891.29	
Seoul	Composite Index	Closed	703.23	
Taipei	Stock Market Index	Closed	8,665.68	
Manila	PSE	Closed	2,848.17	
Jakarta	Composite Index	659.46	662.05	-0.24
Wellington	NZSE-40	2,266.11	2,261.93	+0.18
Bombay	Sensitive Index	Closed	3,641.11	

Source: Telekurs
International Herald Tribune

Very briefly:

• **Freeport-McMoRan Copper & Gold Inc.** has been given an additional two months to assess **Bre-X Minerals Ltd.**'s Busang gold deposit, Bre-X said; the delay until the end of June will allow it time to consider findings that may arrive as early as Friday from **Strathcona Mineral Services Ltd.** of Canada, an independent assessor hired by Bre-X.

• **China** warned, on its Labor Day holiday, that workers could suffer during a "deepening" of reform efforts at state-run companies; but it said in a front-page editorial in the People's Daily that there was no turning back from an overhaul of the companies, an estimated 70 percent of which are losing money and are barred from laying off employees.

• **Japan's** domestic sales of new automobiles fell 12.7 percent in April, the first decline in eight months and the steepest one in four years, as an increase in the national sales tax kept consumers away, the Japan Automobile Dealers Association said.

• **Japan** should privatize its postal savings system, a government panel said, noting that the system's 200 trillion yen ($1.57 trillion) in deposits made it the world's biggest bank.

• **Japan's** foreign-exchange reserves rose $565 million in April, to $219.9 billion, the Finance Ministry said.

• **Sam Yang Tong Sang Co.**, a South Korean subcontractor for **Nike Inc.** in Vietnam, agreed to a 5 percent pay increase for factory workers in Cu Chi, where employees staged a three-hour work stoppage last week.

• **PT Gudang Garam's** shares fell 7.5 percent, or 750 rupiah, to close at 9,450 rupiah ($3.89) in Jakarta after Morgan Stanley reduced the weighting of the food company's shares in its Capital International Indonesia Index.

• **Singapore** will buy piped natural gas from **Indonesia** as part of an agreement on fueling the island state's power needs and its chemical and petrochemical industries; construction of the pipeline, to cost $400 million to $500 million, is expected to start near the end of next year. *Bloomberg, Reuters, AFP*

U.S. Cites Progress In China

Compiled by Our Staff From Dispatches

WASHINGTON — The United States has warned China that it could still be hit with sanctions for failing to stamp out software piracy despite "significant" moves by Beijing against copyright violations.

In an annual review of intellectual-property protection Wednesday, the U.S. trade representative, Charlene Barshefsky, said that "monitoring China will put us in a position to move directly to trade sanctions if there is slippage in China's enforcement" of intellectual property-rights agreements between the two countries.

Last year, both countries reached an accord that called on China to make greater efforts to stamp out rampant piracy of U.S. products.

Ms. Barshefsky also said the United States was initiating "dispute settlement procedures" at the World Trade Organization against Denmark, Sweden, Ireland and Ecuador on grounds that they had failed to fully honor commitments to protect intellectual property. *(Bloomberg, AFP)*

Fairfax Rises on Hints of Looser Media Rules

Compiled by Our Staff From Dispatches

SYDNEY — Shares of John Fairfax Holdings Ltd., one of Australia's leading newspaper publishers, rose 3 percent Thursday after Prime Minister John Howard indicated that the government might relax laws restricting the ownership of television stations and newspapers.

A change in the media ownership laws could clear the way for Kerry Packer, Australia's richest man, to gain control of Fairfax.

In an interview with a Melbourne radio station Wednesday, Mr. Howard said the government was considering changing the media ownership laws, which prohibit a television station operator from owning more than a 15 percent stake of a newspaper in the same market.

He also said that Fairfax might be better off with one owner. "You really don't have anybody running the company," he said. "It's a pretty unstable situation."

Mr. Packer, who owns 14.99 percent of Fairfax, controls Publishing & Broadcasting Ltd., a publicly traded company that owns magazines and the Nine television network in Australia. Mr. Packer has made no secret of his desire to add Fairfax to his media stable, and last week he presented his case to Mr. Howard.

Mr. Howard said he had not made a deal with Mr. Packer.

Fairfax's shares climbed 10 cents Thursday, closing at 3.27 Australian dollars ($2.55).

Analysts said the prime minister's remarks made it more likely that Mr. Packer would succeed in acquiring Fairfax. "It looks like things are lining up for him," said Vince Pepe, an analyst at ABN-AMRO Hoare Govett.

Fairfax, with a market value of about 2.4 billion dollars, publishes two major general-interest dailies, The Sydney Morning Herald and The Age of Melbourne, as well as The Australian Financial Review, a national daily.

The prime minister reiterated his views on the media laws in a television interview, saying, "A whole lot of people over the years have said that in this day and age of convergence, to have cross-media prohibition is anachronistic."

"Whether the government ultimately decides to change those is a matter the cabinet has yet to decide," he added, "but I have made no secret of the fact that I regard those laws as outdated."

Mr. Howard said he was reluctant to remove the restrictions on foreign ownership because he feared that the entire Australian news media could wind up in foreign hands. He said Rupert Murdoch's News Corp. would have to be considered a foreign company, despite its Australian roots, because Mr. Murdoch is now an American citizen.

To buy Fairfax outright, Mr. Packer would have to persuade the company's largest shareholder, Brierley Investments Ltd. of New Zealand, to sell its 19.9 percent stake. Some investors predicted the bidding could go as high as 4 dollars a share.

On Tuesday, Brierley's chairman, Bob Matthew, said his company had not spoken to Mr. Packer about selling its stake. *(Bloomberg, Reuters, Bridge)*

Seoul's Insolvency Rate Stays at a 14-Year High

Compiled by Our Staff From Dispatches

SEOUL — South Korea's corporate insolvency rate held at a 14-year high in March, the Bank of Korea said Thursday.

The insolvency rate, measured by the percentage of promissory notes outstanding that are in default, was at 0.24 percent, the same as February and its highest since May 1982.

The rate has risen steadily from a level of 0.12 percent last September.

The figures underline the difficult conditions facing South Korean companies amid the country's slowest economic growth in four years. Many of the companies borrowed heavily on ambitious expansion plans early in the 1990s. Hanbo Group and Sammi Group, two of the nation's top 30 conglomerates, or *chaebol*, failed under a total of $8.2 billion in debts this year.

Separately, government figures showing that the merchandise trade deficit shrank in April sparked cautious optimism that the country's economic slump may be bottoming out. The Trade Ministry said the customs-cleared trade deficit narrowed to $1.5 billion in April from $2.04 billion a year earlier.

"This is the first month the trade deficit has narrowed year-on-year since the beginning of this year," the ministry said.

The trade deficit was $1.85 billion in March, $2.14 billion in February and $3.49 billion in January.

"The trade balance will continue to improve throughout this year on exports recovery and slowing imports," said Lee Keum Tae, an economist at LG Economic Research Institute. Imports rose 1.6 percent last month, while semiconductor sales abroad fell 14.2 percent because of a plunge in chip prices.

But exports excluding computer chips rose 10.5 percent. Oil-product exports surged 34.9 percent, while steel products gained 24.7 percent and automobiles, 11.6 percent.

Analysts also said prices of South Korea's major export items, including semiconductors, had stopped falling.

The Trade Ministry forecast that exports would grow "in the near future," buoyed by a recovery in exports of petrochemicals, automobiles, steel products and textiles. *(Bloomberg, Reuters)*

Free-Marketeer Ends His Boycott And Joins India's New Coalition

Compiled by Our Staff From Dispatches

NEW DELHI — Former Finance Minister Palaniappan Chidambaram, a supporter of market reforms, rejoined India's new United Front government here Thursday, ending a brief boycott that set off alarm in business circles.

Mr. Chidambaram, who was finance minister in the government of Prime Minister H.D. Deve Gowda, was the most notable absentee when Prime Minister I.K. Gujral and other members of his government took office April 21. Mr. Chidambaram was inducted with three others from his Tamil Maanila Congress party, which joined the government after earlier opting out because its leader, G.K. Moopanar, had been bypassed in the leadership race.

The former finance minister is a strong advocate of New Delhi's free-market reforms. His absence from the new government prompted industry and business leaders to call for his return. *(Reuters, AFP)*

NTT Stock Rises 8% as Morgan Adds It to Index

Compiled by Our Staff From Dispatches

TOKYO — Nippon Telegraph & Telephone Corp.'s shares rose 8 percent Thursday after Morgan Stanley & Co. said it would include the company in its Morgan Stanley Capital International index.

Money managers around the world use the index to decide in which countries and companies to invest. Its inclusion in the index could prompt foreign investors to buy more NTT shares, said Hideyuki Ogoshi, an analyst at Yamaichi Research Institute.

"Many funds use the MSCI index as a benchmark, and with this announcement we can expect many more to add the stock," he said.

NTT shares closed at 969,000 yen ($7,639), up 74,000, in active trading. Its gain also helped the overall Nikkei 225-share index rise 124.21 points, to 19,275.33.

Analysts speculated that NTT may have been included in the Morgan Stanley index because of the increased likelihood of strong earnings at the company. Its outlook improved late in 1996 when Japan announced a long-awaited plan for restructuring the company. The plan was regarded as a victory for NTT and its shareholders because it stopped short of breaking up the company.

NTT will account for 5.1 percent of the Japan portion of Morgan Stanley's index, the second-largest weighting among Japanese companies, after that of Toyota Motor Corp. Morgan Stanley said it would not be dropping any other stocks to make room for NTT.

NTT will be included in the index at 80 percent of its market value because of restrictions that effectively keep some of the shares from being freely traded. For example, Japan limits foreign ownership of NTT to 20 percent, Morgan Stanley said. Other telecommunications companies also have been included in the index at less than their full market value because of such restrictions.

Analysts said another possible reason for buying NTT shares was that the company was expected to be one of the biggest beneficiaries of deregulation in Japan's telecommunications market. It also stands to profit from the growing use of telephone lines to transmit computer data, they said.

Analysts also said that, although the company was lowering rates, growing use of its local network would more than make up for any loss of revenue. Explosive growth in the number of mobile-phone users is one reason. Cellular-phone providers have to pay NTT for use of the local lines needed to make the final connection for most calls.

NTT's earnings report, due to be released this month, is expected to show growth of 16 percent in its recurring profit, to 380 billion yen, for the year that ended March 31, according to a report by Akihiro Ito at Daiwa Institute of Research. In the current year, ending in March 1998, recurring profit probably will rise another 18 percent, the report said.

The biggest risk for NTT shareholders is that the government's plan to sell more of its stake in the company will leave a glut of shares in the market.

Japan's Ministry of Finance, which owns 66 percent of NTT, plans to sell as many as 500,000 shares this year, the Nihon Keizai newspaper reported two weeks ago.

The company also has been asked by Japan's Fair Trade Commission to reduce its stake in its profitable mobile-phone unit, DoCoMo, to less than half. DoCoMo controls about 50 percent of Japan's mobile-phone market.

NTT said it would sell stock in the mobile-phone unit as early as next year. The company probably will reduce its 94.6 percent share in the unit, but it will not cut its stake below 50 percent, a spokesman said.

NTT's cellular-phone division has chosen Yamaichi Securities Co. as lead manager for its initial public offering, a company representative said.

The DoCoMo division accounts for about one-fifth of NTT, according to a February report from Salomon Brothers Asia Ltd.

At NTT's current market capitalization, that would give the unit a value of about 3 trillion yen. *(Bloomberg, Reuters)*

Seek an Overall Trade Pact With Japan, U.S. Panel Urges

By Paul Blustein
Washington Post Service

WASHINGTON — A presidential commission on trade with Asia has called on the United States to make ambitious efforts to improve American companies' access to Japan and other Asian markets.

Among the recommendations by the Commission on United States-Pacific Trade and Investment Policy was a proposal for a "comprehensive market agreement" with Japan that would go beyond standard free-trade pacts of the sort Washington has negotiated with Canada and Mexico.

The proposed accord would "develop agreed-upon procedures to deal with anti-competitive business practices" and other trade restrictions that often stymie U.S. companies seeking to sell in Japan.

"I look forward to studying its recommendations in some detail," the U.S. trade representative, Charlene Barshefsky, said, "and I expect this will be a valuable contribution to the trade policy debate."

The current sector-by-sector approach is 'unlikely' to work.

The report calls the current U.S. approach of negotiating market-opening agreements in specific sectors of the Japanese economy "necessary to chip away at Japanese trade and investment barriers" but says the approach is "unlikely" by itself to fully resolve the problem of Japan's closed markets.

The commission recommends that Washington consider instead a comprehensive agreement with Tokyo that would be aimed at creating "agreed-upon procedures" regarding the subtle corporate and bureaucratic practices — such as collusion among big Japanese companies — that often remain a problem after formal trade barriers are lowered.

The commission has attracted notice because of the membership on it of Yah Lin "Charlie" Trie, a longtime Democratic Party fund-raiser with ties to President Bill Clinton.

Mr. Trie is under scrutiny in a Justice Department investigation into questionable campaign contributions during the 1996 U.S.

Asked how much influence Mr. Trie had exerted over the group, the commission's chairman, Kenneth Brody, former president of the Export-Import Bank of the United States, said Mr. Trie had not been at any meetings since September.

The commission's report includes a dissent from three of its 17 members, who argue that its recommendations "focus narrowly on the interests of U.S. investors, not U.S. workers." The three — Morton Bahr, president of the Communications Workers of America; Kenneth Lewis, former president of Lasco Shipping Co., and Ron Sims, county executive of King County, Washington — were critical of the report's support for agreements with Asian countries to liberalize investment by U.S. multinational corporations there.

E G Y P T
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NASDAQ

Thursday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

52 Week High	52 Week Low	Stock	Div	Yld	PE	Sales 100s	High	Low	Latest	Chge
A-B-C										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D-E-F										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
G-H-I										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
J-K-L										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
M-N-O										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
P-Q-R										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
S-T-U										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
V-W-X										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Y-Z										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NYSE

Thursday's 4 P.M. Close

(Continued)

52 Week High	52 Week Low	Stock	Div	Yld	PE	Sales 100s	High	Low	Latest	Chge
P-Q-R										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
S-T-U										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
V-W-X										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Y-Z										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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April 30, 1997

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Quotations for your funds via E-mail : e-funds@iht.com

001 1st FEDERAL CAPITAL INC Tel. (632) 759 64 45 Fax. (632) 759 64 42		
w Inter Globe Fund	$	1.36
002 ABC INVESTMENT & SERVICES CO (E.C.) Manama-Bahrain. PO 2808 Fax 530802		
m ABC Islamic Fund (E.C.)	$	148.30
m ABC Global Recovery Fd	$	137.92
m ABC Global Bond Fd	$	115.50
003 ABN AMRO BANK P.O. Box 283, Amsterdam		
w Columbia Securities	$	119.62
w Trans Europe Fund Fl	Fl	156.27
w Trans Europe Fond $	$	80.91
w Atlanta	$	306.70
004 ABN AMRO Funds Tel.: 352-42 49 49 355 349 A rue J Monnet,2180 Lux.Fx 352-42 49 49 266		
d Latin America Eq Fd	$	61.87+
d North America Eq Fd	$	85.72+
d Asian Tigers Eq Fd	$	62.43+
d Europe Equity Fd	$	82.05+
d Japan Equity Fd	$	44.07+
d Germany Equity Fd	DM	170.67+
d Global Bond Fd	$	63.31+
d Europe Bond Fd	$	52.81+
d US Bond Fund	$	59.29+
d Germany Bond Fd B	DM	111.80+
d South Bond Fund	Peso	1054.70 00+
d Eastern Europe Eq Fd	DM	222.00+
d Asian Equity Fd	$	72.50+
d Switzerland Equity Fd	SF	157.47+
005 ABSOLUTE PERFORM T:31 20 677 6173		
m Chorus International Ltd	$	114.29
m Kelvor Intl Ltd	$	100.58
m Pelican (Asia) Ltd	$	129.35
006 AEB WORLDFOLIO MUTUAL FUNDS		
w S Daily Income	$	1.00
w DM Daily Income	DM	1.00
w S Bond Income	$	20.43
w Mon - S Bonds	$	20.14
w Global Bonds	$	22.65
w Global Balanced	$	22.70
w Global Equities	$	25.33
w US Conservative Equities	$	24.87
w US Aggressive Equities	$	32.34
w European Equities	$	16.16
w Pacific Equities	$	12.34
w Nordic Resources	$	8.34
w Asia Growth Co	$	16.74
w Emerg Market Deb	$	16.37
007 AIB ASSET MANAGEMENT Ltd		
d AIG Asian Eq. Trust	$	57.8356
d AIG Asia Emerg Mkts Fd	$	64.3979
d AIG Balanced World Fd	$	130.1543
d AIG Emerg Mkts Bd Fd	$	128.3652
d AIG Eur M&A & Fin Wk	$	99.5618
d AIG Euro Small Co Fd Plc	$	198.4933
d AIG Europe Fd Plc	$	157.9266
d AIG Japan Fund	$	59.1106
d AIG Japan Small Cos Fd	$	9.12
d AIG Latin America Fd Plc	$	169.8269
d AIG Mid-Cap Eq Fd Plc	$	230.0267
d AIG South East Asia Fd	$	241.2532
d AIG Technology Fund	$	109.7614
d UBZ Equity Fund	Ecu	15.30+
d UBZ Liquidity Fund $	$	120.6440
d UBZ Liquidity Fund DM	DM	139.8038
d UBZ Liquidity Fund Ecu	Ecu	114.5396
d UBZ Liquidity Fund SF	SF	131.7159
008 ALBATROS PERFORMANCE FUND		
m Albatros Perf Deutschland	DM	16704.99
m Albatros Perf Index DEM	DM	197.46.94
m Albatros Performance USD	$	21525.42
009 ALFRED BERG (Tel: (46 8) 723 58 00)		
d Aktiv	$	327.13
d Utvalget Sverige	Sek	109.67
d Gotfjallen Sverige	Sek	114.32
ALFRED BERG SICAV		
d Global	$	218.24
d Germany	DM	337.43
d Switzerland	SF	297.74
d Europe	DM	250.06
d North America	$	175.61
d Far East	$	70.99
d Bond	DM	105.40.00
010 ALLIANCE CAPITAL MANAGEMENT Clo Bank of Bermuda (352-45464-5339)		
w Alliance US Gr. Singles $	$	12.16
w Alliance US Gr. Singles L	$	12.00
w Alliance US Gr. Singles I	$	194.27
w Alliance US Gr. Singles N	$	192.34
011 ALPHA FUND MANAGEMENT, LTD 48 Par-La-Ville Rd. Hamilton HM11 Bermuda		
m Alpha Asia Pd Ltd/Feb28	$	110.55
m Alpha Asias Fd-HYC (Mar31	$	156.25
m Alpha Asias Fd-Ltd/Mar31	$	122.72
m Alpha Emg Mkts Dedi/Mar31	$	205.26
m Alpha Europe Pd (Mar31)	Ecu	290.63
m Alpha Europe Fd (Mar31)	$	233.03
m Alpha Global Fd (Mar31)	$	1093.49
m Alpha Hdg Fd Cl A/Mar31	$	388.47
m Alpha Hdg Fd Cl B/Mar31	$	159.50
m Alpha Hdg Fd Cl C/Mar31	$	149.57
m Alpha Latin Amer (Mar31)	$	464.55
m Alpha Pacific Fd (Mar31)	$	263.97
m Alpha SAM	$	144.31
m Alpha Short Fd (Mar31)	$	51.45
m Alpha Tiltedn Fd (Mar31)	$	253.21
m BCA/Alpha Internat/Mar31	$	117.23
m Buch-Ecu Eq/Hdg (Mar31	Ecu	214.43
m Cornerstone Lat Am (Mar31)	$	128.28
m Globefund Value (Mar31)	$	193.33
m Hetsel Japan Fund	Y	7275
m Lotus Performance Pd/Mar31	$	84.40
m Lotus Value (Feb28)	$	154.74
m Pacif RIM Opp (Fd (Mar31)	$	99.76
m Russ Fed Co Dritte/Mar31	$	121.46
m The Russia Fd (Mar31)	$	220.55
012 AMERICAN PHOENIX INVT PORTFOLIO		
d European Multinational Pfd	$	24.48
d Global Multinational Pfd	$	42.35
d U.S. Growth Companies Pfd	$	14.32
d U.S. Real Estate Sec Pfd	$	12.14
014 AMHUB & S. SCHRODER		
c CITCO Tel: 1-599-969-222		
w Aetos Corporation	$	10694.7295
w Aetos International Fund	$	819.815
w DEF Aquarius N.V.	$	15974.588
w Eagle Select Fund	$	1014.61 E
w FGR Fund	$	95136.000
w The Second Atlas Fund	$	1041.06+
017 BAII Tel: 44-171-734 3786		
/ International Pd Latest NAV	$	642.81
International Bonds Fund		
/ Convertible Pd (FFr)	FF	3025.67
/ Convertible Pd (US$)	$	302.35
/ International Bond (US$)	$	1392.99
018 BANK BRUSSELS LAMBERT (32-2) 547 2837		
d BBL Invest America Cap	$	670.33
d BBL Invest Belgium Cap	BF	22108.00
d BBL Invest Japan Cap	Y	30844.00
d BBL Invest Latin Amer Cap	$	613.42
d BBL Invest HK & China Cap	$	272.24
d BBL Invest Asian Grth Cap	$	324.38
d BBL Invest UK Cap	$	359.28
d BBL (L) Inv Goldmines Cap	$	107.30
d BBL (L) Invest Bonds Cap	LF	20671.00
d BBL (L) Invest World Cap	LF	4740.00
d BBL (L) Inv Base Mid Cap	$	581.52
d BBL (L) Inv Telecom & Medi	$	311.08
d BBL (F) Invest France Cap	FF	324.10
d BBL Japan Fd Ind Cap	LF	472.00
d BBL (L) Portfolio Fund Cap	LF	27189.00
d BBL R C Sh-Medium Cap	BF	12939.00
d BBL & INC Fund Convertibles	DM	3257.50
019 BANQUE BELGE ASSET MGMT FUND State Distributor Guernsey 441481 726414		
w Intl Equity Fund		11.97
w Intl Bond Fund		12.58
w Intl Dollar Cash Bd Fd		1.25
w Asia Pacific Region Fd		9.40
w India Fund		4.35
w Sterling Equity Fd		1.39
w Sterling Bd Fd		1.386
021 BANQUE EDOUARD CONSTANT		
/ Intellbond Chf	SF	93.78
/ Intellbond Ecu	ECU	239.28
/ Swisfund Chf	SF	250.71
BANQUE FRANCAISE DE L'ORIENT		
m BFO Slcav-Global Strategies	$	
026 BANQUE INDOSUEZ		
w The Dragon Fund	$	84.12
w Madeira Fut. Fd Ser. 1 Cl. A	$	117.423
w Madeira Fut. Fd Ser. 1 Cl. B	$	89.065
w Madeira Fut. Fd Ser. 2 Cl. C	$	115.546
w Indosuez Curr. C.A. Units	$	130.365
w Indosuez Monetary Sicav	$	8.175
w Indosuez High Yld Bd A	$	100.95
w Indosuez High Yld Bd B	$	106.55
w Med Equities	Ptas	14797.00
w Indosuez Latin America	$	8.55
w Indosuez Multimedia Fd	$	13.91
w Indosuez Asia Fund	DM	13.57
INDOSUEZ ASSET MGT ASIA LTD		
d Indosuez Asian Pac-Pelago A	$	24.93
d Indosuez Asian Pac-Pelago B	$	25.06
d ISA Asian Growth Fund	$	84.33
d ISA Japan Reg. Growth Fd	$	694.65
d ISA Pacific Gold	$	14.98
d ISA Asian Income Fund	$	12.22
d Indosuez Korea Fund	$	7.92
d Shanghai Fund	$	14.39
d Vietnam Fund	$	14.38
d Manila Fund	$	27.917
d Mekong Fund	$	28.922
d The Siam Fund	$	34.33
d Indosuez Hong Kong Fund	$	64.836
d Indosuez Sing & Malay Tst	$	42.720
d Indosuez Pacific (SA)	HK$	30.206
d Indosuez Japan Fd	Y	11.479
d Indosuez Managed Tst	$	34.139
d Indosuez Asian Pfl-Index A	$	19.33
d Indosuez Asian Pfl-Index B	$	19.27
031 BANQUE SCS ALLIANCE (352) 464 993		
w Pictet North Am Equities	$	130.16
w Pictet Europe Equities	Ecu	200.03
w Pictet Asia Pacific Ex	$	108.14
w Pictet Environment Eq	$	99.76
w Pictet Dollar Bonds	$	111.31
w Pictet Ecu Bonds	Ecu	136.09
w Pictet FF Bonds	FF	129.39
w Pictet Intl Conv Bonds	SF	102.18
w Pictet Dollar Reserve	$	115.43
w Pictet ECU Reserve	Ecu	114.10
w Pictet SF Reserve	SF	108.50
w Pictet FF Reserve	FF	115.72
039 BARCLAYS GLOBAL INVESTORS HK 27F Citibank Tower,Cbb PLaGarden Rd/HK Tel: (852) 2903 2121		
d Global (US$) Cl(Dis)	$	143.489
d Hong Kong Cl(Dis)	$	63.4007
d Indonesia Cl(Dis)	$	13.1442
d Japan (Cl(Dis)	$	5.9942
d Korea Cl(Dis)	$	8.5300
d Malaysia Cl(Dis)	$	26.7076
d Philippines Cl(Dis)	$	26.1142
d Singapore Cl(Dis)	$	21.1022
d Thailand Cl(Dis)	$	10.5712
d Taiwan Cl(Dis)	$	7.9852
d South East Asia Cl(Dis)	$	35.7712
*** 042 BARING INTL FD MNGRS (IRELAND) LTD (NON SIB RECOGNIZED) IFAX 62563		
d Cons Eq USD A (Dis)	$	76.13+
d IPC (US) Equities Hdgs Dodis,Dub.44171	DM	73.79+
d Baring Emerg World Fund	$	12.834
d Baring Global Resources	$	12.082
d High Yield Bond	$	7.251
d Japan Smaller Cos Fund	$	13.425
d Baring Eastern Europe Fd	$	13.258
d Baring Bond Fund	FF	78.782
*** 023 BARING INTL FD MNGRS (IRELAND) LTD (NON SIB RECOGNIZED) IFAX 62563		
d Australia	$	34.27
d Asian Fund	$	30.072
d Malaysia & Singapore	$	131.097
d North America	$	43.502
d Germany (Dis)	$	40.77
d Pacific Fund	$	19.837
d International Bond	$	34.84
d Japan Fund	$	134.89
d Hong Kong	$	97.912
d Dollar Warrant	$	12.192
d Global Emerging Mkts	$	110.082
d Latin America	$	18.622
d US Dollar Currency Fund	$	34.882
d Cons Currency Managed	$	5.813
d Euro Fixed Income Fund	$	1.0782
d Europe Select Feeder Fund		
024 BEACON GLOBAL ADVISORS LTD		
m Gestalt Caps Ltd	$	4967.21
m Compass Series N. Ltd	$	9909.30
m Compass Series E. Ltd	$	3047.27
m Compass Series F. Ltd	$	7444.27
m Compass Series W. Ltd	$	6351.93
201 BBL UNIVERSAL FUND		
d Global Eq USD A (Dis)	$	23.3045
d Global Eq USD A (Cap)	$	24.8561
d Global Bonds USD A (Dis)	$	16.4878
d Global Bonds USD B (Cap)	$	24.1887
d Global Bonds DEM B (Cap)	FF	152.4750
d Global Bonds FRF B (Cap)	FF	195.2133
d Europe ECU A (Dis)	Ecu	203.5345
d Europe ECU B (Cap)	Ecu	255.8965
d Europe USD A (Dis)	$	23.4975
d Far East USD B (Cap)	$	25.6713
d Japan JPY A (Dis)	Y	1357.1123
d Japan JPY B (Cap)	Y	1417.9422
d Pacific FRF B (Cap)	FF	20.4453
d Latin America USD A (Dis)	$	29.7207
d Latin America USD B (Cap)	$	30.7207
d Nordic Equities Sek B (Cap)	Sek	147.6511
025 BELINVEST FUNDS		
m Belinvest Short Dated Fd	$	121.88+
m Belinvest Bonds Fund Plc	$	110.432
m Belinvest Monthlyfund	$	1500.25
026 BERKSHIRE CMG ZURICH (41.1.296.2720) E-Mail: berkshire@growth.com		
w Aspro Bio-Medical Gwth	$	4.75E
w Artisia Cap Growth Fd. Ltd	$	7.02E
w Artisia Gen Tech Growth	$	4.29E
w Artisia High Yield Cap Pd Ltd	$	1.00
w Artisia Medic Growth Fd Ltd	$	3.60
027 BOWEN CAPITAL MGT		
w Stewart Apo Fund	$	11.5450
w Stewart Apo Fund	$	7.3874
031 CALLANDER Tel:(27)(31)4944594 Fax:4944599		
w Callander Eastern Growth	$	140.05
w Callander F-Asia	$	218.60
w Callander F-Asia Ex Jap	AS	1263.01
w Callander F-Eastern Europe	DM	93.23
w Callander F-Sweden	Pts	1179.00
w Callander F-Latin Growth	$	189.44
w Callander F-Africa Growth	$	53.20
w Callander F-US Health Care		
032 CAPITAL INTERNATIONAL		
w Capital Intl Fund	$	177.61
w Capital Intl Ex	$	51.90
033 CAPITAL INVESTMENT GROUP PLC		
w Capital Generic Fund	$	6.38
034 CDC INTERNATIONAL		
w CEP Court Terrac	FF	201336.51
035 CHEMICAL IRELAND FD ADM LTD 353-1 46 13 434		
w AH-L DiversMas Plc	$	14.84
045 CHILTON		
m Chilton Intl (BVI) Ltd	$	14930.58
b Chilton Natural Res. (BVI)		
046 CITIBANK (LUXEMBOURG) S.A. POB 1253 Luxembourg Tel. (352) 454141		
d Citinest Cash Fund	$	117.77
d Citinest Bond Fund	$	1342.32
d Citinest FGP USD	$	1442.57
d Citinest FGP ECU	Ecu	1424.37
d Citinest FGP ESP	Ptas	10734.00
d Citinest Selector	$	1566.83
d Citinvestments USD	$	1882.94
d Citinvestments DEM	DM	157.91
d Citinvestments GBP	£	190.01
d Citiport N.A. Equity	$	353.88
d Citiport Cont. Euro Equity	Ecu	267.19
d Citiport UK Equity	£	179.38
d Citiport French Equity	FF	1784.62
d Citiport German Equity	DM	134.67
d Citiport Japan Equity	Y	4146.00
d Citiport IAPEC	$	292.15
d Citiport Eurasia	$	137.80
d Citiport N.A. $ Bond	$	185.16
d Citiport Euro Bond	Ecu	187.96
d Citiport Jap Sen Cap	Y	7180.00
d Citiport Italian Equity	Lit	117786.00
d Citiport US Dom Bond	$	180.14
d Citiport US Eq Gro	$	185.00
d Citiport US Sm Cap	$	73.56
d Citiport H.S.T. Bond	Lit	109884.00
d Citiport It Lt Bd	ITL	104884.00
d CL Asian Income Fund	$	109.04
d CL NGO Currency Fund	$	178.96
d Yen Focus Fund	Y	677.31
d Money Manager	$	11.07
d Money Manager II	$	11.12
d Citiselect Pfd Balanced Fd	$	10.94
d Citiselect Pfd Growth Fd	$	10.86
d Citiselect Pfd Enhanced Grth	$	10.73
047 CITIBANK (PARIS) A.A. 25/04/97		
d Citi Asia Capital Gld Fd	$	10.77
d Citi Gld Asian Mkts Fd	$	101.51.17
d Citi Japan 100	$	99.27
d Citi Japan 95	$	108.13
d Citi Lat Amer Cap Gld Fd	$	10.95
m Yoan	$	5432.15
048 CITIBANK GLOBAL ASSET MGT (ASIA) Ltd Tel 00 852 2868 4266 Fax 00 852 2523 1379		
d CIF (Cayman) Asia Eq	$	4.74
d CIF (Cayman) H.K. Eq	$	12.17
049 CITITRUST		
m Chiportforemara Pfd S.A.	$	20.640
m The Good Earth Fund	$	14.783
040 COMGEST (33-1) 44 78 75 10		
m C.F.E. Dnys Fund	$	14.8643
m C.F.E. Latin Fund	$	11.3484
m Comgest Asia	$	1451.88
m Comgest Europe	SF	2381.81
041 CONZETT HOLDINGS LTD Internet Site: www.conzett.com		
w Controvest Limited	SF	2007.21
w Conzett Europe Invest Ltd	SF	1769.46
w Conzett Europe Fund Ltd	SF	999.56
w Emerging Mkts Quant Fd Ltd	DM	1182.10
w Equitarbitrum Fund Ltd	DM	1204.88
w Sentinvest Trading Fund Ltd	DM	1861.42
042 COWEN ASSET MANAGEMENT Cowen Enterprise Fund N.V.		
m Class A Shs	$	1,144.46
m Class B Shs	$	1764.51
043 CREDIS INVESTMENT FUNDS Tel +41 1 200 8300 Fax +41 1 221 3423		
d CS Portf Fix Inc (Dis) $	$	1089.74
d CS Portf Fix Inc (DM) B	DM	1095.31
d CS Portf Fix Inc (SFR) A	SF	1040.46
d CS Portf Fix Inc (SFR) B	SF	1097.54
d CS Portf Fix Inc (US$) A	$	1040.39
d CS Portf Fix Inc (US$) B	$	1076.93
d CS Portf Fix Inc DM A	DM	1242.86
d CS Portf Fix Inc DM B	DM	1272.12
d CS Portf Fix Inc (Ecu) B	Ecu	1127.11
d CS Portf Inc (Lux) B	LUF	37117.00
d CS Portf Inc SFR A	SF	1100.78
d CS Portf Inc SFR B	SF	1129.74
d CS Portf Inc US$ A	$	1044.90
d CS Portf Inc US$ B	$	1169.17
d CS Portf Inc DM	DM	1100.68
d CS Portf Bal SFR	SF	1043.50
d CS Portf Bal US$ A	$	1197.63
d CS Portf Growth SFR A/B	SF	1097.55
d CS Portf Growth DM	DM	1343.19
d CS Portf Growth SFR	SF	1208.91
d CS Portf Growth US$	$	1194.47
d Credis Money Mkt Fd BEF	BF	62365.00
d Credis Money Mkt Fd CL	DM	1307.37
d Credis Money Mkt Fd DM	DM	1307.37
d Credis Money Mkt Fd Ecu	Ecu	1597.44
d Credis Money Mkt Fd FF	FF	7040.41
d Credis Money Mkt Fd HFl	Fl	1207.09
d Credis Money Mkt Fd Lit	LIT	1535165.00
d Credis Money Mkt Fd Sp	Pts	155624.00
d Credis Money Mkt Fd SF	SF	1329.45
d Credis Money Mkt Fd $	$	2072.31
d Credis Money Mkt Fd Yen	Y	140619.00
d Credis Money Mkt Fd Yen	Y	1743.54
d Credis Eq Fd Energy Mkts	$	1213.Q5
d Credis Eq Fd Euro Blue Chs B	DM	404.46
d Credis Eq Fd Europe A	FF	1227.44
d Credis Eq Fd Europe B	FF	1406.47
d Credis Eq Fd Germany A	DM	379.80
d Credis Eq Fd Germany B	DM	414.24
d Credis Eq Fd Gold Mines A	$	242.72
d Credis Eq Fd Gold Mines B	$	242.72
d Credis Eq Fd Hisp Iber A	Pts	4312.00
d Credis Eq Fd Hisp Iber B	Pts	5024.00
d Credis Eq Fd Italy B	LIT	2948432.00
d Credis Eq Fd Italy B	LIT	3085497.00
d Credis Eq Fd Jap Megat SF	SF	1000.00
d Credis Eq Fd Jap Megat $	$	20605.00
d Credis Eq Fd Lat Amer	$	1073.369
d Credis Eq Fd Nth Am A	$	839.22
d Credis Eq Fd Netherlds B	Fl	880.39
d Credis Eq Fd Nth-Amer A	$	343.04
d Credis Eq Fd Nth-Amer B	$	376.13
d Credis Eq Fd Oste-Pacific A	DM	243.74
d Credis Eq Fd Oste-Pacific B	DM	268.91
d Credis Eq Fd Port Blue Chs	DM	1488.37
d Credis Eq Fd Small Cap Ger	DM	1097.74
d Credis Eq Fd Small Cap Jap	Y	56341.00
d Credis Eq Fd Sm Cap USA	$	1403.02
d Credis Eq Fd UK A	$	144.23
d Credis Eq Fd UK B	$	159.62
d Credis Eq Fd Tiger Indie	$	121.43
d Credis Korea Fund	$	476.71
d Credis Sanit+Mid Cap Switzl	SF	380.39
d Credis Global Fds Intl	SF	171.81
d CS Gold Value	$	120.07
d CS Tiger Fund	$	1162.77
d Emerging - Value	SF	280.23
d Europe Value	SF	344.85
d Pacific - Value	$	794.00
d Schweizfonds	SF	13955.34
d Bond Value D - Mark	DM	33.78
d Bond Value Swf	SF	126.44
d Bond Value US - Dollar	$	136.62
d Bond Value Yen	Y	11739.00
d Bond Value £ Sterling	$	104.59
d Convert Value Swf	SF	176.47
d Convert Value US - Dollar	$	192.06
d Credis Bond Fd Aussi A	AS	1137.98
d Credis Bond Fd Aussi B	AS	1218.11
d Credis Bond Fd Canad A	C$	1134.47
d Credis Bond Fd Canad B	C$	1542.75
d Credis Bond Fd DM A	DM	1159.46
d Credis Bond Fd DM B	DM	1230.30
d Credis Bond Fd Ecu A	Ecu	167.08
d Credis Bond Fd Ecu B	Ecu	208.08
d Credis Bond Fd Europa A	DM	224.49
d Credis Bond Fd Europa B	DM	238.47
d Credis Bond Fd FF A	FF	911.39
d Credis Bond Fd FF B	FF	1390.35
d Credis Bond Fd Dutch A	Fl	104.91
d Credis Bond Fd Dutch B	Fl	191.35
d Credis Bond Fd Lira A	LIT	246191.00
d Credis Bond Fd Lira B	LIT	327320.00
d Credis Bond Fd Pesetas A	Pts	20279.00
d Credis Bond Fd Pesetas B	Pts	24272.00
d Credis Bond Fd Prime Corr A	SF	87.84
d Credis Bond Fd Prime Corr B	SF	101.73
d Credis Bond Fd Short-T. DM A	DM	104.71
d Credis Bond Fd Short-T. DM B	DM	154.95
d Credis Bond Fd Sh-T Sfr A/B	SF	101.32
d Credis Bond Fd Short-T. $ A	$	101.21
d Credis Bond Fd Short-T. $ B	$	102.93
d Credis Bond Fd Sh-T Dollar	$	94.64
d Credis Bond Fd SF B	SF	324.40
d Credis Bond Fd US$ A	$	1122.32
d Credis Bond Fd US$ B	$	1322.32
d Credis Bond Fd Yen A	Y	112199.00
d Credis Bond Fd Yen B	Y	130661.00
d CS Capital Cons 1987	DM	2030.27
d CS Capital Cons 2000	DM	1509.59
d CS Capital Eco 2000	Ecu	1801.09
d CS Capital FF 2000	FF	1735.31
d CS Capital SF 2000	SF	1187.21
d Convert Value £	$	106.19
d Credit Suisse Feds Bds	SF	108.74
d CS Euromed	DM	106.60
044 CREDIT COMMERCIAL DE FRANCE		
w Elysees Monetaire	FF	17128.57
w Sicav Actocash USD B	$	1280.36
049 CREDIT LYONNAIS BOUSE (Bermuda) Ltd		
m Systematica Ltd		17.877
CLR SELECT 31-03-97 (LUX REG)		
m Diversified Ass Dnt	$	10.88
m Diversified Ass Dnt	DM	29.70
m Diversified FFr Dnt	FF	99.36
m Diversified As Dnt	AS	10.44
m Diversified As Gnt May 99	$	11.39
m Diversified As Gnt Jun 2000	AS	13.02
THE VOLATILITY FUND 31-03-97 (LUX REG)		
m The Volatility Fd US$ Series I	$	9.84
109 CREDIT SUISSE FUND MGMT (GUERNS) MARSA		
m New Europe Debt - Acc	$	1.03
m New Europe Debt - Inc	$	1.03
046 CURSITOR FUND		
w Cursitor Eastn Asian Eq	$	92.93
w Cursitor Gbl Fd Deposit	$	123.43
w Cursitor Gbl Gwth Sub-Fd	$	104.01
047 DARIER HENTSCH GROUP Tel 41-22 708 55 68		
d Hentsch Treasury Fd	SF	16414.41
d DH Motor Markets Fund	SF	12700.57
d DH Mandarin Portfolio	SF	14767.12
d DH Swiss (Ex. SMI)	SF	1121.22
d DH Talpan Port	SF	97.803
d Samurai Portfolio	SF	258.581
048 DELTEC PANAMERICA TRUST CO. LTD		
m Deltec Latin American Fd	$	31.15
m Deltec Worldwide Inc Fd	$	12.58
m Deltec High Yield Fd	$	110621.06
049 DISCOUNT BANK GROUP		
w Scan Bd Multi Hgd Dollar	$	1362.50
w Scan Bd Multi Hgd CHF	SF	1427.32
w Scan Bd Multi Hgd DM	DM	1000.59
w Scan Bd M H Short T DEM	DM	1044.99
w Scan Bd M H Short T USD	$	1172.40
w Scan Bd M H Short T FRF	FF	1250.97
w Scan Bd M H Short T DEM	DM	1024.71
w Scan Bd Multi CHF	CHF	1020.30
w Scan Bd Multi USD	$	1004.41
w Scan Equity Eurpnol	Ecu	2047.48
w Scan Eq N. America	$	2426.24
w Scan Eq French FF	FF	112.46
w Scan Eq Japan	Y	145.37
w Scan Eq Technology	$	1234.23
w Scan Eq Asia Pacific	$	1234.23
w Scan Middle East (annual	$	1247.81
050 DISCOVER INVESTMENTS		
w Discover Asia	$	8.87
w Discover Europe	$	11.90
051 DOSSIER DE GESTION COLLECTIVE		
w Global	$	399.40
w America	$	117.33
w Europe	SF	153.49
052 DRESDNER BANK INVESTMENT GROUP DIT DT. INVESTMENT-TRUST, Postf. PO Box 110403,D60329 Frankfurt,Fm26331-4246		
d Concordia +	DM	76.13+
d Intl Rentenfond +	DM	73.79+
DRESDNER KLEINWORT BENSON INTL MANAGEMENT SERVICES LTD		
Le Touche House - IFSC - Dublin 1		
DSB Thomas Lee Adv Sel Fd		
d Conglomerator Fund	$	9.51
053 DUBIN & SWIECA		
Tel: (800) 945 1400 Fax: (800) 945 1489		
m Highbridge Capital Corp.	$	18403.57
m Overlook Performance	$	2753.04
054 EBC FUND MANAGERS (Jersey) LTD 1-3 Seale St, St Helier,Jersey,JE4 8ZB		
EBC TRADED CURRENCY FUND LTD		
d Yen Fund	SF	77.7800
d Deutsche Mark Fund	SF	23.9800
EBC INTERNATIONAL INCOME FUND		
d Long Term	$	33.9997-
d Long Term - DMK	DM	13.8008-
055 ED & F MAN INVESTMENT PRODUCTS Tel Free +41 46 05 18 14		
m Man Limited - Cmary	$	42.10
m Man Limited - Income	$	13.40
m Man Gtd Ltd - Spec Issue	$	93.30
m Man Gtd Ltd - Nov 2002	$	19.77
m Man Gtd Currencies	$	7.75
m Man Gtd Currencies 2001	$	4.90
m Man G GL Fin 2000	$	9.57
m Man Plus Gtd Bond	$	101.92
m Man Plus Gtd Bond	$	22.98
m Athena Gtd Futures	$	9.29
m Athena Gtd Currencies	$	21.24
m Athena Gtd Financials	$	12.33
m Athena Gtd Financials Inc	$	141.92
m AHL Alpha	$	22.73
m AHL Capital Mkts Fd	$	14.53
m AHL Commodity Fund	$	16.59
m AHL Currency Fund	$	141.57
m AHL Div Gtd Ltd	$	13.27
m AHL Div Gtd II Ltd	$	14.04
m AHL Div Pfd	$	10.63
m AHL Real Time Trad Fd	$	10.93
m AHL Gtd Real Time Trd	$	17.14
m AHL Gtd Cap Mark Ltd	$	12.47
m AHL Gtd Currencies	$	10.42
m AHL Guaranteed 2000	$	9.79
m MAP Gtd 2001	$	130.57
r MAN-Glanmond M.S.	$	10.52
r MAN-IP 220 Limited USS		
056 ERMITAGE LUX (352-4073 380 http://www.Ermitage.lu		
w Ermitage Sejit Fund	$	82.98
w Ermitage Gtbr Mkts Fd	$	77.90
w Ermitage UK Value Fd	$	14.17
w Ermitage Odey Fund	DM	10.77
w Ermitage Gbl Mining Inv	$	12.84
057 EUROPA FUNDS LIMITED		
d American Equity Fund	$	400.77
d American Opport Fund	$	425.53
d Asian Equity Fd	$	140.76

International Herald Tribune
SPORTS
FRIDAY, MAY 2, 1997

WORLD ROUNDUP

AFP
Allen Iverson was named NBA rookie of the year Thursday.

Iverson Is Voted Rookie of the Year

BASKETBALL Alan Iverson, of the Philadelphia 76ers, was named NBA rookie of the year Thursday. He received 44 of 115 votes from sports writers and broadcasters who cover the NBA.

Minnesota's Stephon Marbury finished second with 35 votes and Vancouver's Shareef Abdur-Rahim third with 25.

Iverson, 21, was the leading rookie scorer this year, and his average of 23.5 points placed him sixth overall in the NBA.

Some players have criticized Iverson's attitude. Charles Barkley said the only award Iverson deserved was for trash-talking. *(AP)*

Canada Beats U.S.

ICE HOCKEY Rob Zamuner scored after 82 seconds Thursday and Canada went on to beat the United States, 5-1, in the World Championship in Turkku, Finland.

The victory left Canada third in Group B, one point behind the United States and Sweden.

It was the first loss of the competition for the United States, which has not beaten Canada in the world championships since 1985.

In a Group A game in Helsinki, Vycheslav Busayev scored midway through the third period to give Russia a 3-2 victory over the Czech Republic. *(AP, Reuters)*

• Mario Tremblay resigned as coach of the Montreal Canadiens, citing attacks by the intensely critical Montreal media. Montreal was eliminated in the first round of the Stanley Cup playoffs by New Jersey. *(AP)*

Bowe Quits the Ring

BOXING Riddick Bowe, the former heavyweight champion, retired on Wednesday ending a sometimes bizarre career that included an aborted stint in the Marines.

Bowe, 29, was the last undisputed heavyweight champ. He had a 40-1 record. He will become a goodwill ambassador for HBO, the U.S. cable network.*(AP)*

Shaky Argentina Beats Ecuador, 2-1

Reuters

RIO DE JANEIRO — Argentina's hopes of reaching next year's World Cup finals in France were greatly enhanced as it beat Ecuador, 2-1, on a peaceful night in the South American World Cup qualifiers on Wednesday.

Argentina's victory in Buenos Aires lifted it above Bolivia and Ecuador and into third place in the nine-team South American group. The top four teams will go to France.

WORLD CUP

Argentina also closed the gap on second-placed Colombia, which lost 1-0 at home to Peru.

Despite two sendings-off in the game between Paraguay and Uruguay and one in the Colombia-Peru game in Barranquilla, there was nothing to match the scenes that marred the Bolivia-Argentina and Paraguay-Colombia games earlier this month. FIFA, the governing body of world soccer, handed down a string of suspensions on the eve of Wednesday's games.

Argentina gave another stuttering performance in the qualifiers Wednesday. Argentina started well, racing into a 2-0 lead with goals by Ariel Ortega and Hernan Crespo in the first 32 minutes, but then fell to pieces.

Alex Aguinaga, Ecuador's star striker, consistently outshone Ortega. Aguinaga pulled a goal back in the 67th minute and then lanky striker Eduardo Hurtado missed two good chances to equalize for Ecuador, which is aiming to go to the World Cup for the first time.

Ecuador's poor away form — it has gained only one point from four games — could be its undoing.

Paraguay 3, Uruguay 1 The group leader Paraguay moved six points clear by beating Uruguay, twice the World Cup champion, in Asuncion.

Aristides Rojas, Derlis Soto and Jose Cardozo, with a penalty, scored for Paraguay, which did not miss Jose Luis Chilavert, its star goalkeeper, who received a four-match ban for fighting with Colombia's Faustino Asprilla in the previous round of games.

Colombia 0, Peru 1 Asprilla, who was serving the first half of his two-match suspension, was sorely missed in Barranquilla.

Peru never allowed Colombia to settle, and won the game with a 61st minute goal by Jose Pereda.

Pereda scored with a spectacular long-distance shot after the Colombia goalkeeper Farid Mondragon, blamed for the goals that allowed Argentina and Paraguay to beat Colombia in the last two games, was again at fault, throwing the ball straight to the Peruvian striker.

Colombia's place in France appeared to be a formality as it took a runaway lead in the nine-team group last year, but it is six points behind Paraguay and only one ahead of third-placed Argentina.

• Chile beat Venezuela, 6-0, on Tuesday with Ivan Zamorano scoring five.

Danny Gomez/Agence France-Presse
Uruguayan Enzo Francescoli tumbling after a tackle from Paraguayan Roberto Acuna. Paraguay won, 3-1.

Brazil Sells Soccer Sole To Spread Nike's Swoosh

By Richard Sandomir
New York Times Service

The Brazilian national soccer team beat Mexico, 4-0, at Miami's Orange Bowl in a so-called friendly match with no competitive significance — except to Nike Inc.

Nike, the U.S. sportswear company, staged the game Wednesday as part of its 10-year, $200 million sponsorship of the Brazilian team through 2006. Nike intends to try to recoup its $20 million annual fee through gate receipts, television rights and sponsorships.

But the big payoff, if there is one, would come from the spreading of Nike's ubiquitous swoosh logo into yet more retail outlets internationally and higher sales of Air Jordan basketball shoes and Tiger Woods golf shirts.

"Soccer is the No. 1 priority in this company," said Jim Small, a spokesman for Nike. "We're the No. 1 sports and fitness company in the world and we want to be No. 1 in soccer in the world."

Michael Jacobsen, the editor of Sportstyle, a U.S. trade magazine, said: "This is by far the most obvious example of Nike buying its way into a market. It's the equivalent of Nike sponsoring the entire National Football League."

Each year, Nike will set up five friendly exhibitions starring the Brazilian team, arguably the most popular team in the world's most popular sport. Each of Brazil's games for Nike will feature a samba band and will be followed by a Carlos Santana concert and a fireworks show. The next game is scheduled for August and will probably be held in Seoul.

The games would not happen without Nike's cash and its arrangements to jet players who play on other teams from league matches elsewhere.

Contrived? Probably. Small countered by saying: "It would be contrived if the matches were not authentic, or the rules were changed in some way."

Roberto Mueller, head of Mueller Sports, a consulting firm, recently negotiated a 10-year deal worth $60 million to $80 million for the Argentine national soccer team with Reebok International Ltd., where he was once president.

Are such games mere contrivances? "Maybe," he said. "Many people want all games to be part of a tournament. But the kids will love these games. The whole thing for Nike and Reebok is reaching the next generation of fans." Regarding the price Nike paid, Mueller said: "You need stomach for that."

Soccer accounted for one percent of Nike's footwear sales of $2.3 billion in the year ended Feb. 28.

Nike has smaller sponsorships with the soccer federations in United States, Nigeria, Italy, the Netherlands, Portugal, Poland, South Korea and Russia. But Brazil was central to its corporate strategy. To Nike, the Brazilian team is the Nike of soccer: the dominant brand.

Perfect Romania Closes In on Finals

Italy Also Improves Its World Cup Chances While Others Slip

Reuters

Of the 49 teams battling over the 14 World Cup places available to teams from Europe, only one still has a perfect record.

Romania has played six qualifying games for next year's finals in France and has won all of them. Every other team has at least one draw. Furthermore, Romania has yet to concede a goal.

On Wednesday in Bucharest both records survived, but only just, as Romania beat Ireland, 1-0, in European qualifying Group Eight.

Adrian Ilie scored the winner with a volley after 32 minutes. In the 48th minute, Ireland won a penalty kick. But Bogdan Stelea, Romania's goalkeeper, saved from Roy Keane.

Romania leads Macedonia by eight points. Both have four games to play. Lithuania beat Liechtenstein, 2-0, to climb to third place.

The nine European group winners will all advance to the finals in France. One second-place team will also qualify directly. The other eight will be paired off, and the four winners will qualify.

Group Two Italy dismissed Poland, 3-0, in Naples to take another step toward a certain qualification.

Roberto Di Matteo and Paolo Maldini scored for Italy in the first half. Roberto Baggio, recalled to the squad, came on as a substitute in the second half, and within 12 minutes he scored a dazzling goal.

Baggio collected a long pass, sidestepped a defender, waited for Polish goalkeeper Andrzej Wozniak to come to him, then darted to his right and passed the ball between two defenders and into the goal.

England is second in the group four points behind Italy, but it struggled before beating Georgia, 2-0, at Wembley.

Teddy Sheringham and Alan Shearer played together for the first time since the European Championships last June and each scored once.

In the 42d minute Shearer hooked a cross into the goalmouth which Sheringham met with a thumping header into the goal.

Georgia dominated the second half, but failed to score and Shearer added England's second — a ferocious shot from a free-kick — with the last kick of the game.

EUROPEAN SOCCER

"I don't think we deserved to win, 2-0," said Sheringham.

Group One Greece, the group leader, lost, 1-0 in Salonika against Croatia. Denmark took over in first place on goal difference after it thrashed Slovenia, 4-0, in Copenhagen.

Davor Suker scored in the 74th minute for Croatia which is third, one point behind the leaders.

Group Three Norway dropped its first points of the qualifying competition when it was held, 1-1, in Oslo by Finland. Norway dominated the first half but fell behind on the hour to a goal by Antti Sumiala.

The Finns defended in depth but Ole Gunnar Solskjaer scored with a sweetly struck shot from outside the penalty area in the 83d minute.

Norway leads the group ahead of Switzerland which beat Hungary, 1-0, in Zurich with a late goal by Kubilay Turkyilmaz.

Group Four Scotland conceded its first goals in seven qualifying matches as it lost, 2-1, to Sweden in Gothenburg.

Kennet Andersson volleyed Sweden into the lead two minutes before halftime and added the second in the 63d minute. Scotland, which replied through Kevin Gallacher, tops the group with Austria, which beat Estonia, 2-0, second.

Group Five Israel stayed on top of its group with a 2-0 victory over Cyprus in Tel Aviv. Veteran striker Eli Ohana scored both goals.

Russia remained second in the group with a 3-0 victory over Luxembourg in Moscow.

Group Six Spain has made a tradition of qualifying early. It had made another a fast start in its group but that was slowed slightly as it drew, 1-1, in Yugolsavia.

Fernando Hierro scored with a 19th minute penalty to give Spain the lead. Goalkeeper Andoni Zubizaretta preserved Spain's lead until three minutes from the end when Predrag Mijatovic, who plays for Real Madrid, scored with a penalty for Yugoslavia.

Spain still tops the group with 17 points, one ahead of Yugoslavia.

Spain's Josep Guardiola was apparently hit on the head while taking a corner by a cigarette lighter thrown by a fan.

A last minute goal by Tody Jonsson gave the Faroe Islands its first ever World Cup victory. It won, 2-1, in Malta.

Group Seven The Netherlands thrashed San Marino, 6-0, to stay top of its group. Two goals by Dennis Bergkamp and one each for Aron Winter, Pierre van Hooijdonk, Frank de Boer and John Bosman moved Holland three points clear of Belgium.

The Belgians won, 3-1, in Turkey thanks to a first-half hat-trick by Luis Olivera. Oktay Derelioglu replied for the Turks, also in the first half.

Group Nine Germany climbed into second place in its group with a 2-0 victory over the leader, Ukraine, in Bremen. Oliver Bierhoff and Mario Basler scored the goals in the second half.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
Baltimore	16	7	.696	—
Boston	13	12	.520	4
New York	14	13	.519	4
Toronto	11	12	.478	5
Detroit	11	16	.407	7
CENTRAL DIVISION				
Milwaukee	12	11	.522	—
Cleveland	12	13	.480	1
Kansas City	11	12	.478	1
Minnesota	11	15	.423	2½
Chicago	8	17	.320	5
WEST DIVISION				
Seattle	16	11	.593	—
Texas	14	10	.583	½
Anaheim	12	12	.500	2½
Oakland	13	13	.500	2½

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	19	6	.760	—
Florida	15	10	.600	4
Montreal	12	12	.500	6½
New York	12	14	.462	7½
Philadelphia	8	16	.333	10½
CENTRAL DIVISION				
Houston	15	11	.577	—
Pittsburgh	12	13	.480	2½
St. Louis	11	14	.440	3½
Cincinnati	7	18	.280	7½
Chicago	6	19	.240	8½
WEST DIVISION				
San Francisco	17	7	.708	—
Colorado	17	7	.708	—
Los Angeles	13	11	.542	4
San Diego	9	15	.375	8

TUESDAY'S LINE SCORES

AMERICAN LEAGUE

Anaheim 100 020 101—5 11 3
Boston 002 010 100—4 11 1
Langston, McElroy (7), Hasegawa (7), DeLucia (7), Holtz (8), James (9) and Leyritz, Fabregas (8); Wasdin, Eshelman (7), Corsi (7), B. Henry (8) and Haselman. W—Holtz, 2-0. L—B. Henry, 1-1. Sv—James (2).

Oakland 100 002 100—4 8 1
Cleveland 211 000 33x—10 12 0
Prieto, Small (7), R. Lewis (8) and Molina; Nagy, M.Jackson (8) and S. Alomar. W—Nagy, 4-1. L—Prieto, 2-1. Sv—M. Jackson (2). HRs—Oakland, Brosius (1), Canseco (4). Cleveland, S.Alomar (8), Franco (1), M. Williams (7), Giles (4).

Milwaukee 010 000 100—2 7 0
Detroit 001 000 000—1 7 2
Eldred, Wickman (7), Do.Jones (9) and Matheny; Olivares, Cummings (7), Miceli (7), Brocail (9) and B. Johnson. W—Eldred, 3-2. L—Olivares, 1-1. Sv—Do.Jones (5).

Toronto 012 101 000 0—5 8 1
Kansas City 003 200 000 1—6 10 0
(10 innings) Hentgen, Plesac (9), Quantrill (9) and O'Brien; Rusch, R. Veres (7), Pichardo (10) and Macfarlane. W—Pichardo, 1-0. L—Quantrill, 3-2. HRs—Kansas City, C.Davis (2), Offerman (1). Toronto, Merced (3), Sprague 2 (5).

Texas 000 010 000—1 6 1
Chicago 010 000 001—2 8 0
Pavlik, Gunderson (8), Patterson (9) and I. Rodriguez; Navarro and Karkovice. W—Navarro, 2-1. L—Patterson, 2-2.

Seattle 000 010 150—7 12 1
New York 000 200 003—5 9 1
Moyer, S. Sanders (6), McCarthy (7), Wells (8), Charlton (9) and D.Wilson; Mendoza, Stanton (7), Boehringer (7), Mecir (7), Lloyd (8) and Girardi. W—McCarthy, 1-0. L—Mecir, 0-1. HR—New York, Be.Williams (2).

Baltimore 101 004 000—6 12 0
Minnesota 000 040 000—4 7 0
Coppinger, Rhodes (5), Boskie (5), Orosco (6), Te.Mathews (7), Ra.Myers (9) and Holles; Robertson, Swindell (6), Ritchie (8), Guardado (8), Aguilera (9) and Steinbach. W—Boskie, 1-1. L—Swindell, 1-1. *Sv—Ra.Myers (10). HR—Baltimore,* Incaviglia (1).

NATIONAL LEAGUE

Colorado 010 000 000—1 7 2
Houston 001 100 01x—3 6 1
R.Bailey, Holmes (8), M.Munoz (8) and Manwaring; Wall, R.Springer (7), Martin (8), Hudek (9) and Eusebio, Ausmus (8). W—Wall, 1-0. L—R. Bailey, 3-1. Sv—Hudek (4). HRs—Houston, Bagwell (7), Berry (1).

Montreal 501 100 010—8 11 2
Chicago 303 206 00x—14 14 0
Bullinger, Telford (4), Daal (6), M. Valdes (6), Urbina (8) and Fletcher; Trachsel, Bottenfield (6), Patterson (7), T.Adams (8) and Servais. W—Trachsel, 1-3. L—Bullinger, 1-4. HRs—Montreal, Andrews (4), Lansing (2), H. Rodriguez 2 (6), Fletcher (3). Chicago, Kieschnick 2 (3).

Pittsburgh 010 000 100—2 9 2
Philadelphia 010 043 00x—8 11 0
F.Cordova, Ruebel (5), Wainhouse (5), M. Wilkins (7) and Kendall; Maduro, Spradlin (8), R.Harris (9) and Lieberthal. W—Maduro, 2-2. L—Ruebel, 1-2. HR—Philadelphia, Lieberthal (6).

San Diego 001 000 000—1 8 0
Florida 000 000 02x—2 3 0
Bergman, Bochtler (7), Hoffman (8) and Flaherty; Brown, Nen (9) and C. Johnson. W—Brown, 3-1. L—Hoffman, 0-2. Sv—Nen (7).

New York 100 110 000—3 9 1
Cincinnati 000 000 010—1 7 1
M.Clark, Borland (8), J.Franco (9) and Hundley; Morgan, Belinda (5), Carrasco (6), Shaw (8), Brantley (9) and Fordyce. W—M. Clark, 3-1. L—Morgan, 0-3. Sv—J. Franco (5).

Los Angeles 011 002 101—6 13 1
Atlanta 000 101 000—2 7 0
Park, Radinsky (6), Candiotti (6), Guthrie (7), To.Worrell (9) and Piazza; Wade, Clontz (5), Byrd (6), Bielecki (7), Borowski (8) and J. Lopez. W—Park, 1-1. L—Wade, 0-1. HRs—Los Angeles, Piazza (4), Gagne (2). Atlanta, J.Lopez (6).

San Francisco 211 200 100—7 11 0
St. Louis 100 000 233—9 12 0
Rueter, Tavarez (7), Poole (8), Henry (8), Beck (9) and Jensen; Stottlemyre, Frascatore (4), Batchelor (7), Fossas (9) and Pagnozzi, Lampkin (3), Sheaffer (9). W—Fossas, 1-0. L—Beck, 0-1. HRs—St. Louis, Gant (3), Lankford 2 (3).

WEDNESDAY'S LINE SCORES

AMERICAN LEAGUE

Milwaukee 020 001 001—4 10 1
Detroit 104 021 00x—8 9 0
Karl, Maloney (5), Villone (8) and Matheny, Levis (7); Ju.Thompson, Sager (7), To.Jones (9) and Casanova, B.Johnson (8). W—Ju.Thompson, 2-2. L—Karl, 0-5. HR—Milwaukee, Jaha (6).

Anaheim 000 010 001—2 7 1
Boston 104 222 00x—11 13 0
Dickson, DeMay (5), Hasegawa (7) and Fabregas; Hammond, Garces (6), Trlicek (7), Eshelman (8), Slocumb (9) and Haselman. W—Hammond, 1-0. L—Dickson, 4-1. HRs—Boston, Garciaparra (5), Bragg (4).

Seattle 000 010 001—2 8 2
New York 100 001 01x—3 8 0
De.Martinez, McCarthy (8), S. Sanders (8) and Da.Wilson; D.Wells, Nelson (8), M. Rivera (9) and Girardi. W—D. Wells, 2-1. L—De.Martinez, 1-2. Sv—M. Rivera (8). HRs—Seattle, Buhner (4). New York, T. *Martinez (9), Raines (1).*

Toronto 010 000 000—1 5 0
Kansas City 000 000 000—0 4 1
Clemens, Plesac (9), Timlin (9), Spoljaric and Santiago; Appier and Macfarlane. W—Clemens, 4-0. L—Appier, 3-1. Sv—Spoljaric (1). HR—Toronto, C. Delgado (5).

Baltimore 030 001 116—12 19 0
Minnesota 020 010 000—3 5 2
Kamieniecki, A. Benitez and Holles; Tewksbury, Naulty (7), Guardado (8), Olson (9) and Steinbach. W—Kamieniecki, 2-0. L—Tewksbury, 1-4. Sv—A. Benitez (2). HRs—Baltimore, Incaviglia (2), Surhoff (1). Minnesota, R.Kelly (1).

Oakland 005 001 010 4—11 15 2
Cleveland 110 103 001 2—9 15 2
(10 innings) Telgheder, A. Small (6), Taylor (8), Acre (10), Groom (10) and Mayne; Hershiser, Kline (7), Plunk (8), Mesa (10), A.Lopez (10) and S.Alomar. W—Taylor, 1-1. L—Mesa, 0-2. Sv—Wengert (1). HRs—Oakland, Berroa (6), Canseco (5), McGwire 2 (11). Cleveland, Ramirez (5), Justice (7).

Texas 400 002 0—4 9 0
Chicago 002 000 x—2 6 2
(6 innings) K.Hill, X. Hernandez (2), Witt (5) and H. Mercedes; Alvarez, C.Castillo (3), D. Darwin (5), Levine (6) and Karkovice. W—Witt, 5-0. L—Alvarez, 1-4. HRs—Texas, Gil (1), Simms (3).

NATIONAL LEAGUE

San Francisco 401 000 010—6 9 0
Pittsburgh 000 100 000—1 3 0
Gardner and R. Wilkins; Lieber, Peters (6), Wainhouse (9) and Kendall. W—Gardner, 2-1. L—Lieber, 1-2. HR—San Francisco, Kent (5).

Atlanta 001 032 132—12 17 0
Cincinnati 200 100 000—3 10 3
Neagle, Bielecki (8), Embree (9) and J. Lopez; Mercker, Remlinger (6), Belinda (7), Carrasco (8), Bones (9) and Fordyce. W—Neagle, 4-0. L—Mercker, 1-3. HRs—Atlanta, Tucker (2), McGriff 2 (4).

Los Angeles 030 001 003—7 13 0
Philadelphia 020 100 002—5 11 0
Nomo, Radinsky (7), Hall (8), Candiotti (9), To.Worrell (9) and Piazza. Prince (9); M.Leiter, R. Harris (8), Plantenberg (9), Spradlin (9) and Lieberthal. W—Nomo, 3-2. L—M. Leiter, 3-2. HRs—Philadelphia, Rolen (1), Lieberthal (7).

Houston 004 001 001—6 11 1
Montreal 011 330 00x—8 13 1
Kile, R. Garcia (4), Lima (5), R. Springer (7) and Ausmus; C.Perez, D. Veres (7), L.Smith (9), Urbina (9) and Fletcher. W—C. Perez, 4-1. L—Kile, 1-2. Sv—Urbina (2). HR—Montreal, Segui (4).

San Diego 020 000 000—2 7 0
New York 001 002 03x—6 10 1
Hitchcock, Kroon (8), Scott (8) and Flaherty; B.Jones, McMichael (8), Borland (9), Jo.Franco (9) and Hundley. W—B. Jones, 4-2. L—Hitchcock, 2-2. Sv—Jo.Franco (6).

Florida 000 020 000—2 9 0
St. Louis 100 050 00x—6 8 0
A.Leiter, F. Heredia (5), Helling (6), Hutton (8) and C.Johnson; Al.Benes, Fossas (7), T.J.Mathews (8) and Difelice. W—Al.Benes, 3-2. L—A. Leiter, 3-2.

Chicago 000 000 230—5 12 0
Colorado 000 227 00x—11 8 0
Foster, Wendell (6), R.Tatis (6), Bottenfield (8) and Servais; Ritz, Dipoto (8) and *Manwaring. W—Ritz, 3-3. L—Foster, 2-2.* HRs—Chicago, Ma.Grace (3), Servais (1). *Colorado, Galarraga (5), Castilla (9), L.* Walker (11).

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct.	GB
Yakult	15	9	—	.625	—
Hiroshima	13	9	—	.591	1.0
Hanshin	11	12	—	.478	3.5
Yomiuri	11	12	—	.478	3.5
Chunichi	10	13	—	.435	4.5
Yokohama	9	14	—	.391	5.5

WEDNESDAY'S RESULTS:
Yokohama 8, Yakult 0
Hiroshima 6, Chunichi 0
Hanshin 4, Yomiuri 3

THURSDAY'S RESULTS
Yokohama 9, Yakult 2
Hiroshima 8, Chunichi 0
Yomiuri 5, Hanshin 1

PACIFIC LEAGUE

	W	L	T	Pct.	GB
Lotte	11	9	1	.550	—
Daiei	11	10	—	.524	0.5
Seibu	11	11	—	.500	1.0
Orix	10	10	—	.500	1.0
Kintetsu	9	10	1	.474	1.5
Nippon Ham	10	12	—	.455	2.0

WEDNESDAY'S RESULTS:
Seibu 11, Kintetsu 0
Lotte vs. Nippon Ham rained out.
Orix vs. Daiei rained out.

THURSDAY'S RESULTS
Lotte 6, Nippon Ham 3
Daiei 4, Orix 0
Seibu 8, Kintetsu 0

BASKETBALL

NBA Playoffs

FIRST ROUND
(BEST-OF-FIVE)
TUESDAY'S RESULTS

Miami 29 13 15 18— 75
Orlando 13 29 22 23— 88
M: Mourning 8-12 1-6 17, Lenard 5-13 2-2 14; O: P.Hardaway 16-30 9-10 42, Armstrong 6-11 7-7 21. Rebounds—Miami 66 (Mourning 17), Orlando 37 (P.Hardaway 8). Assists—Miami 17 (T.Hardaway 8), Orlando 11 (Armstrong 6).
(Miami leads series 2-1)

Atlanta 29 20 26 25— 91
Detroit 24 32 16 27—99
A: Laettner 9-18 6-6 25, Smith 7-14 6-8 21; D: Hunter 11-17 0-0 26, Hill 10-19 4-7 24. *Rebounds—Atlanta 49 (Mutombo 21),* Detroit 28 (Mills 7). Assists—Atlanta 17 (Blaylock 10), Detroit 18 (Hill 8).
(Detroit leads series 2-1)

Houston 32 27 32 34—125
Minnesota 29 30 32 29—120
H: Maloney 9-11 2-3 26, Elie 6-8 5-7 21; *M:* Gugliotta 10-19 4-6 27, Garrett 11-17 4-5 26. Rebounds—Houston 42 (Olajuwon 11), *Minnesota 47 (Garrett 15).* Assists—Houston 33 (Drexler 9), *Minnesota 30 (Marbury 13).*
(Houston wins series 3-0)

Seattle 40 22 19 22—103
Phoenix 30 27 25 28—110
S: Payton 12-24 2-4 34, Kemp 7-15 10-11 24; *P: Person 8-14 7-8 29, Chapman 8-14 3-6 23.* Rebounds—Seattle 49 (Kemp 11), Phoenix 53 (*Person 10*). Assists—Seattle 24 (*Payton 6*), Phoenix 22 (Kidd 10).
(Phoenix leads series 2-1)

WEDNESDAY'S RESULTS

Chicago 22 26 22 26— 96
Washington 23 23 24 25— 95
C: Jordan 14-24 0-0 28, Pippen 8-18 2-3 20; W: Strickland 9-18 5-7 24, Murray 8-11 2-2 20. Rebounds—Chicago 40 (Rodman 10), Washington 37 (Webber 8). Assists—Chicago 12 (Jordan 6), Washington 16 (Strickland 9).
(Chicago wins series 3-0)

L.A. Lakers 17 19 22 32— 90
Portland 32 27 25 14— 98
L.A.: O'Neal 10-21 9-16 29, Bryant 7-13 6-8 22; P: Anderson 9-11 9-10 30, Wallace 7-13 5-8 20. Rebounds—*Los Angeles 63* (O'Neal 12). Portland 46 (Dudley 7). Assists—Los *Angeles 18 (O'Neal, Van Exel 4), Portland 17* (Anderson 5).
(L.A. Lakers lead series 2-1)

ICE HOCKEY

NHL Playoffs

FIRST ROUND
(BEST-OF-SEVEN)
TUESDAY'S RESULTS

Ottawa 1 0 1 0—2
Buffalo 0 1 1 1—3
First Period: O-McEachern 2 (Duchesne, Yashin) (pp). Second Period: B-Audette 2 (Holzinger, Galley) (pp). Third Period: O-Redden 1 (Yashin, Bonk). 4, B-Plante 2. Overtime: 5, B-Plante 3 (Barnaby) Shots on goal: O- 11-7-6-3—27. B- 2-8-16-4—31. Goalies: O-Tugnutt. B-Shields.
(Buffalo wins series 4-3)

Edmonton 1 2 0 1—4
Dallas 1 2 0 0—3
First Period: D-Hogue 2 (Nieuwendyk, Langenbrunner) 2, E-*Murray* 1 (Hulbig) Second Period: E-Mironov 2 (Czerkawski, Grier) 4, D-Verbeek 1 (Zubov, Hogue) (pp). 5, D-Bassen 3 (Verbeek, Broten) 6, E-Kovalenko 3 (Marchant, Weight) Third Period: None. Overtime: 7, E-Marchant 2 (Weight) Shots on goal: E- 6-15-8-4—33. D-10-5-14-12—41. Goalies: E-Joseph. D-Moog.
(Edmonton wins series 4-3)

Phoenix 0 0 0—0
Anaheim 1 2 0—3
First Period: A-Karpa 1 (Mironov, Pronger) Second Period: A-Rucchin 1 (Kariya, Karpa) 3, A-Sacco 1 (Bellows, Marshall) Third Period: None. Shots on goal: Phoenix 7-9-15—31. A- 10-10-6—26. Goalies: Phoenix, Khabibulin. A-Hebert.
(Anaheim wins series 4-3)

World Championships

IN HELSINKI, FINLAND POOL A
STANDINGS:
Finland 6, Germany 0;
Russia 5, France 4
Czech Republic 3, Slovakia 1
Czech Republic 2, Russia 3
STANDINGS: Russia 7 points; Czech Re*public 6; Finland 4; Slovakia 3; France 0;* Germany 0.

IN TURKU, FINLAND, POOL B
Sweden 4, Norway 1
U.S. 4, Italy 2
Canada 3, Latvia 3
Canada 5, U.S. 1
STANDINGS: Sweden 6 points; U.S. 6; Canada 5; Italy 2; Latvia 1; Norway 0.

CRICKET

PAKISTAN TOUR
2ND TEST
SRI LANKA VS. PAKISTAN
WEDNESDAY, IN COLOMBO
Sri Lanka: 331 and 386-4 declared
Pakistan: 292 and 285-5
Match ended in draw.
Series are tied 0-0.

INDIA TOUR
3D 1-DAY INTERNATIONAL
WEST INDIES VS. INDIA
WEDNESDAY, IN KINGSTOWN, ST VINCENT
West Indies: 249-9 (50 overs)
India: 231 all out (48.2).
West Indies won by 18 runs.
West Indies lead 4-match series 2-1.

SOCCER

WORLD CUP QUALIFIERS
EUROPEAN ZONE
GROUP 1
Denmark 4, Slovenia 0
Greece 0, Croatia
STANDINGS: Denmark 10 points; Greece 10; Croatia 9; Bosnia 3; Slovenia 1.

GROUP 2
Italy 3, Poland 0
England 2, Georgia 0
STANDINGS: Italy 16 points; England 12; Poland 4; Georgia 0; Moldova 0.

GROUP 3
Norway 1, Finland 1
Switzerland 1, Hungary 0
STANDINGS: Norway 10 points; Switzerland 6; Hungary 6; Finland 4; Azerbaijan 3.

GROUP 4
Latvia 2, Belarus
Sweden 2, Scotland 1
Austria 2, Estonia 0
STANDINGS: Scotland 14 points; Austria 10; Sweden 9; Latvia 4; Estonia 4; Belarus 4.

GROUP 5
Israel 2, Cyprus 0
Russia 3, Luxembourg 0
STANDINGS: Israel 13 points; Russia 11; Bulgaria 9; Cyprus 4; Luxembourg 0.

GROUP 6
Malta 1, Faroe Islands 2
Yugoslavia 1, Spain 1
STANDINGS: Spain 17 points; Yugoslavia 16; Slovakia 12; Czech Republic 4; Faroe Islands 3; Malta 0.

GROUP 7
San Marino 0, Netherlands 6
Turkey 1, Belgium 3
STANDINGS: Netherlands 15 points; Belgium 12; Turkey 7; Wales 7; San Marino 0.

GROUP 8
Liechtenstein 0, Lithuania 2
Romania 1, Ireland 0
STANDINGS: Romania 18 poins; Macedonia 10; Lithuania 9; Ireland 7; Iceland 2; *Liechtenstein 0.*

GROUP 9
Armenia 0, Northern Ireland 0
Germany 2, Ukraine 0
STANDINGS: Ukraine 12 points; Germany 11; Portugal 9; Northern Ireland 7; Armenia 4; Albania 2.

SOUTH AMERICA ZONE
Argentina 2, Ecuador 1
Paraguay 3, Uruguay 1
Colombia 0, Peru 1
STANDINGS: Paraguay 23 points; Colombia 17; Argentina 16; Bolivia 13; Ecuador 13; Peru 13; Uruguay 13; Chile 12; Venezuela 1.

INTERNATIONAL FRIENDLY
WEDNESDAY, AT MIAMI, FLORIDA
Brazil 4, Mexico 0

FRENCH FIRST DIVISION
Caen 0, Montpellier 1
Strasbourg 0, Monaco 2
Bastia 1, Le Havre 2
Rennes 1, Metz 3
Nice 0, Lyon 1
Auxerre 1, Guingamp 0
Lille 0, Paris-SG 1
Bordeaux 2, Lens 1
Marseille 3, Cannes 1
Nancy 1, Nantes 3
STANDINGS: Monaco 72; Paris SG 63; Nantes 60; Bordeaux 58; Metz 56; Strasbourg 56; Auxerre 55; Bastia 55; Lyon 55; Montpellier 47; Marseille 46; Guingamp 44; Lens 41; Cannes 40; Le Havre 39; Rennes 39; Nancy 33; Lille 33; Caen 32; Nice 20.

TRANSITIONS

BASEBALL
MAJOR LEAGUE BASEBALL
AMERICAN LEAGUE

AL—Suspended Chicago White Sox INF-OF Tony Phillips 2 games for actions leading to his ejection from an April 21 game.

SEATTLE—Activated LHP Jamie Moyer *from 15-day disabled list. Optioned RHP Edwin Hurtado to Tacoma, PCL.*

TEXAS—Released RHP Kevin Gross from Oklahoma City of American Association. Promoted LHP Dan Smith from Tulsa, TL to to Oklahoma City.

NATIONAL LEAGUE

CINCINNATI—Put LHP Joey Eischen on 15-day disabled list. Activated INF Terry Pendleton from 15-day disabled list. Optioned OF Eric Owens to Indianapolis, AA. Purchased contract of C Joe Oliver from Indianapolis.

HOUSTON—Activated RHP Mark Small from 15-day disabled list and optioned him to Jackson, TL.

NEW YORK—Traded RHP John Carter and LHP Erick Ojeda to Pittsburgh for OF Wes Chamberlain and OF Ramon Espinoza. Optioned Chamberlain and Espinoza to Norfolk, IL. Recalled LHP Takashi Kashiwada from Norfolk, IL. Designated LHP Brian Bohanon for assignment.

PITTSBURGH—Recalled LHP Chris Peters from Calgary, PCL. Optioned RHP John Carter to Calgary, PCL and LHP Erick Ojeda to Augusta, SAL.

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION

BOSTON—Announced resignation of M.L. Carr, coach, who will remain as director of basketball operations.

GOLDEN STATE—Fired Rick Adelman coach.

INDIANA—Announced resignation of Larry Brown, coach.

SAN ANTONIO—Exercised their option not to extend contract to G Vernon Maxwell for next season.

FOOTBALL
NATIONAL FOOTBALL LEAGUE

CHICAGO—Agreed to terms with OT James Williams on 1-year contract extension, and QB Mark Butterfield on 1-year contract. Waived TE Kerry Cash.

JACKSONVILLE—Re-signed DE Paul Frase.

KANSAS CITY—Signed LB Tommy Dorsey, G Jesus Hernandez and DB Clyde Johnson.

MIAMI—Signed P Rob Deignan.

WASHINGTON—Signed QB Brad Otton and LB Michael Hamilton.

HOCKEY
USA HOCKEY

USA HOCKEY—Added G Tom Askey and F Chris Tancill to 1997 National Team roster.

NATIONAL HOCKEY LEAGUE

EDMONTON—Recalled D Bryan Muir and *LW Joe Hulbig from Hamilton, AHL.*

MONTREAL—Announced resignation of Mario Tremblay, coach.

PHILADELPHIA— C Vaclav Prospal will miss the rest of the playoffs after breaking his left wrist in practice.

SAN JOSE—Announced that LW Tony Granato has exercised his option and will remain with team for 1997-98 season.

ST. LOUIS—Announced retirement of C Craig MacTavish.

COLLEGE

DUKE—Promoted Quin Snyder, men's assistant basketball coach, to men's associate head basketball coach.

GEORGIA—Extended contracts of Tubby Smith, men's basketball coach, for two years through 2002-03 season; and Jim Donnan, football coach, for one year.

EASTERN COLLEGE ATHLETIC CONFERENCE—Announced Maine-Farmington has joined conference, effective Sept. 1.

TOWSON STATE—Named Mike Jaskulski men's basketball coach.

WHEATON—Named Brian Walmsley men's basketball coach.

TABLE TENNIS

WORLD CHAMPIONSHIP
WEDNESDAY, IN MANCHESTER, ENGLAND
MEN'S TEAM FINAL
China 3, France 1
PLACES 3/4
South Korea 3, Germany 0

SPORTS

Yankees Give Torre His 1,000th Victory

Atlanta Also Reaches Milestone

The Associated Press

Joe Torre earned his 1,000th victory as a major league manager when the New York Yankees beat the Seattle Mariners, 3-2.

"It means you've been around for a long time," he said. "It's a pretty good number, and I'm proud of it."

Torre, 1,000-1,086 overall in stints with the Yankees, Mets, Braves and Cardinals, had a cake and a bottle of Champagne to show for his milestone.

BASEBALL ROUNDUP

David Wells won, improving his record to 10-2 lifetime at Yankee Stadium, although it was his first victory there in pinstripes.

Tino Martinez homered for the Yankees and extended his major league record for runs batted in in April to 34.

Athletics 11, Indians 0 Mark McGwire became the first player to hit the scoreboard in left field at Cleveland's Jacobs Field with a 485-foot blast. He then hit a 459-foot drive in the 10th inning to win the game for Oakland.

McGwire and Jose Canseco homered in a game for the 44th time, moving them past Ernie Banks and Ron Santo into 12th place on the career list for teammates.

Trailing 11-7, Cleveland loaded the bases with two outs in the 10th. Matt Williams barely missed a grand slam, his two-run double hitting two feet from the top of the wall, and Kevin Mitchell flied out to the warning track with the bases loaded to end it.

Blue Jays 1, Royals 0 Roger Clemens outdueled Kevin Appier, thanks to a home run by Carlos Delgado, as Toronto won at Kansas City.

Clemens allowed three hits in eight innings, lowering his earned run average to 1.72.

Appier gave up five hits in his second complete game of the season. His only mistake was a fastball he left over the plate in the second inning. Delgado hit it into the right-field bullpen.

Orioles 12, Twins 3 B.J. Surhoff had four hits, connecting with Pete Incaviglia for consecutive home runs as Baltimore sent Minnesota to its seventh straight loss.

Rangers 6, White Sox 2 Mike Simms hit the first grand slam of his career, in the first inning, leading Texas over Chicago in a game called with no outs in the top of the seventh because of rain and wind at Comiskey Park.

Benji Gil added a two-run homer for the Rangers and Bobby Witt became the AL's second five-game winner.

Both starting pitchers, Ken Hill of the Rangers and Wilson Alvarez of the White Sox, were forced to leave early because of shoulder injuries.

Red Sox 11, Angels 2 Nomar Garciaparra homered, doubled twice and scored four times as Boston solved Anaheim's rookie pitcher, Jason Dickson, at Fenway Park.

Dickson (4-1), who shut out the Red Sox on five hits in the second game of the season, gave up seven runs — four unearned — in four innings.

Tigers 8, Brewers 4 Melvin Nieves hit a three-run double and Detroit stopped visiting Milwaukee's four-game winning streak.

In National League games:

Braves 12, Reds 3 Fred McGriff homered twice and Michael Tucker had five hits as Atlanta beat Cincinnati.

Atlanta finished April with a 19-6 record, the most victories ever by a major league team in the opening month of the season.

"That's because we've played more games in April — that's why nobody's done better," said Bobby Cox, the Atlanta manager.

McGriff and Tucker drove in five runs each. McGriff broke out of a slump with a run-scoring single, a three-run homer and a solo shot. Tucker added a three-run homer as the visiting Braves handed the Reds their 12th loss in 14 games.

Giants 6, Pirates 1 Jeff Kent hit a grand slam and Mark Gardner pitched a three-hitter as San Francisco finished April at 17-7, the team's best opening month since going 18-6 in 1973. The Giants improved to 8-2 on the road, the best in the National League.

Expos 8, Astros 6 In Montreal, David Segui homered and drove in four runs, and Mark Grudzielanek had four singles to extend his hitting streak to 15 games.

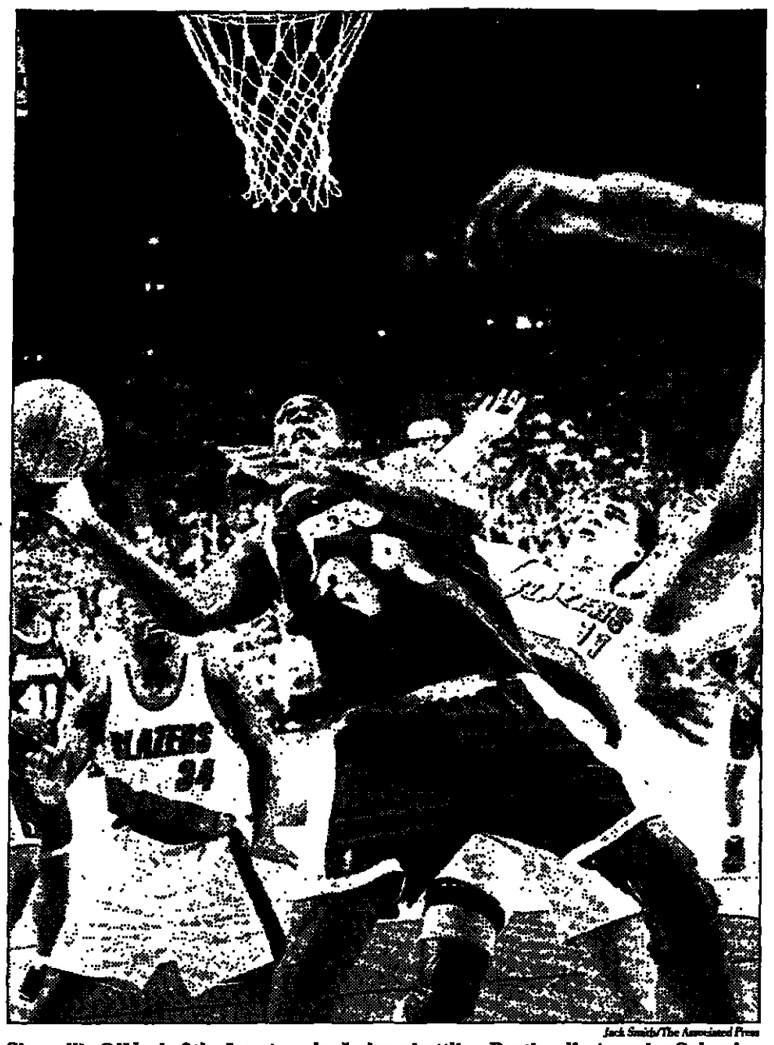
Mets 6, Padres 2 In New York, San Diego lost its eighth straight while the Mets won their fourth in a row. Carlos Baerga scored the go-ahead run in the sixth inning on a sacrifice fly.

Cardinals 6, Marlins 2 Alan Benes struck out nine in 6⅔ innings and Willie McGee had a two-run double as the host Cardinals ended Florida's five-game winning streak.

Rockies 11, Cubs 5 In Denver, Larry Walker tied an NL record with his 11th home run in April, and Andres Galarraga hit the eighth grand slam of his career.

Vinny Castilla also homered for the Rockies. Walker tied the mark shared by Willie Stargell, Mike Schmidt, Gary Sheffield and Barry Bonds. The major-league mark is 13, set by Ken Griffey Jr. this year.

Dodgers 7, Phillies 5 Todd Zeile, Greg Gagne and Mike Piazza each drove in two runs as Los Angeles won in Philadelphia.



Jack Smith/The Associated Press

Shaquille O'Neal of the Los Angeles Lakers battling Portland's Arvydas Sabonis.

Dogged but Doomed, Bullets Fall to Bulls

By Selena Roberts
New York Times Service

LANDOVER, Maryland — The Chicago Bulls left behind a pile of rubble Wednesday night: the Washington Bullets. The Bulls not only flexed their talents to beat the Bullets, 96-95, and sweep their first-round series in three games, but also turned the lights out on USAir Arena and put the Bullets' uniforms in a hope chest.

Next season, the renamed Washington Wizards will play in a new luxury-box arena in downtown Washington with all the amenities. No more Bullets. No more stale, dark corners. But what a way to make an exit.

NBA PLAYOFFS

The Bullets went down, but at least they made this series tougher than the sweep indicated. Rod Strickland, Juwan Howard and Chris Webber managed to pester the defending champions, who squeezed by in Game 1 and needed an inhuman, 55-point performance from Michael Jordan to take Game 2.

Whatever it takes. The Bulls, who have lost just one first-round game since 1990, can rest their aging bodies now. They can head to the whirlpool as Detroit and Atlanta continue their series to see which of them gets to face the Bulls next.

Jordan may have had 10 of his 28 points in the final four minutes to make up a 9-point deficit, but it was Scottie Pippen who won the game for Chicago. With the Bulls down by a point in the Bullets' first home playoff game in nine years, Jordan attempted a jump shot in the closing seconds that was deflected. But Pippen gathered the ball and went aggressively down the baseline for a dunk to put the Bulls up by a point. He was also fouled hard on the play by Harvey Grant and was left lying on his back.

Pippen arose and missed his free throw with 7.4 seconds left. The Bullets, with no timeouts, raced down the floor, and Calbert Cheaney broke open for the final shot at the buzzer. He missed everything.

"That was a tough way to lose," he said. "I thought I had a real good look at it. Jordan came by me and got me on the elbow, but no one saw it."

Besides Jordan's 28 points, the Bulls got 20 from Pippen and 16 from Toni Kukoc. The Bullets were led by Rod Strickland with 24 and Tracy Murray with 20.

The young Bullets wanted more than a gold star on their class presentation. They were not satisfied to have pestered the Bulls in Game 1, or content to have forced Jordan into a mesmerizing 55-point performance to snatch away Game 2. The Bullets had just wanted to get to a Game 4.

That desire was revealed from the start. The team followed the undaunted lead of Howard and Strickland to build a 14-2 lead in the opening minutes. But the Bulls gathered themselves — which means they gave the ball to Jordan — and discovered Dennis Rodman as a tip-in artist for 7 points as they went on a 14-4 run to neutralize their early deficit.

In other playoff games, The Associated Press reported:

Trail Blazers 98, Lakers 90 In Portland on Wednesday, the Trail Blazers jumped ahead behind Kenny Anderson's 17 first-quarter points, and the game stayed a blowout through three quarters.

The victory was Portland's first in the best of five series, and the Lakers lead, 2-1.

The Lakers outscored Portland, 24-6, to start the fourth quarter to close their deficit to 90-82 on Kobe Bryant's two free throws with 3:15 to play.

Bryant, who scored 14 of his 22 points in the fourth quarter, twice cut Portland's lead to six in the final 33 seconds, but Clifford Robinson and Anderson each made a pair of free throws to finally ice the victory. Portland was 1-for-14 from the field in the fourth period.

Del Harris, the Laker coach, said: "We've got to look at it as a 30-point loss. We can't say, 'Everything's fine. We almost had it.'"

Anderson made his first eight shots and had a career playoff high of 30 points on 9-of-11 shooting. Rasheed Wallace added 20 points and Robinson 18.

Shaquille O'Neal had 29 points and 12 rebounds, but got little help from his teammates until the fourth period. O'Neal outscored the Portland center Arvydas Sabonis, 29-0, but the rest of the Blazers' starters outscored the rest of the Lakers' starting five, 80-15.

"I don't care about the Lakers," Anderson said. "I just know they're going to have to check back into their hotel. I hope they don't have any rooms. We've got a series now."

• On Tuesday night, the Houston Rockets completed a three-game sweep with a 125-120 victory over the Timberwolves in Minnesota.

The Magic came back from a 20-point halftime deficit to beat the Miami Heat, 88-75, in Orlando. Miami leads two games to one.

Detroit and Phoenix took 2-1 leads in their best-of-5 series: The Pistons beat the Atlanta Hawks, 99-91, and the Suns beat the Seattle SuperSonics, 110-103.

■ 2 Coaches Say Farewell

Two coaches have paid the price for dismal seasons, The Associated Press reported.

Larry Brown quit as coach of the Indiana Pacers on Wednesday and immediately flew to Philadelphia to search for the next stop in his 25-year coaching odyssey.

Brown, who has been linked to openings at the Boston Celtics and the Golden State Warriors, resigned with two years left on his contract. The Pacers were 39-43 this year and missed the playoffs.

In Boston, M.L. Carr said his "mission has been accomplished" and resigned as coach of the Boston Celtics after the worst season in the franchise's history.

He will stay on as director of basketball operations, and said he would be involved in the search for a "career coach." Boston was 15-67 this season and 48-116 in his two seasons.

Kentucky Derby's Tiny Field

13 Colts to Compete, With Favorites in the Middle

By Joseph Durso
New York Times Service

LOUISVILLE, Kentucky — Thirteen colts have been entered for the 123d Kentucky Derby on Saturday, the smallest field in 12 years despite the late addition of Deeds Not Words by D. Wayne Lukas, who conceded that he was "rolling the dice."

Lukas, who won the Derby the last two years and has won seven of the last eight Triple Crown races, seemed to have run out of Derby candidates this week when the filly Sharp Cat was targeted instead for the Kentucky Oaks on Friday, a race for fillies.

It would have been the first time Lukas missed running a horse in the Derby in 17 years. But he revived his streak, though not dramatically his chances, when he persuaded Michael Tabor of Monaco to enter Deeds Not Words, which has raced only four times and won only once.

When post positions were drawn Wednesday, nobody appeared to be put at a telling disadvantage, and the favorites were lined up pretty much in the middle: Concerto at 8-1 in the No. 3 gate; Captain Bodgit, the second choice at 5-2, in No. 4; Silver Charm at 5-1 in No. 5, and Pulpit starting from No. 7 as the hometown favorite at 2-1.

The weather forecast for Saturday is a chance of showers and thunderstorms with warm temperatures.

Frank Brothers, who trains Pulpit for the Claiborne Farm of nearby Paris, Kentucky, said he was not at all dismayed by the fact that no favorite had won the Derby in 17 years. "I had Hansel in 1991," he said of the beaten favorite in the Derby that year. "The flip side is that you must have done a number of things right to be there."

Mike Battaglia, the linemaker for Churchill Downs, explained that Pulpit and Captain Bodgit have raced head to head twice, with Pulpit winning the Fountain of Youth and Captain Bodgit winning the Florida Derby. "I thought Pulpit rebounded very nicely in the Blue Grass after losing the Florida Derby," he said. "And he's run at 2-5 in his last two races. This is the rubber match."

Deeds Not Words, a son of Rubiano and grandson of Fappiano, won his debut at Del Mar in California last August but has not won since. He ran third in the Best Pal in August, sustained a stress fracture in a hind leg during the race, took seven months off, ran fourth in the Gotham at Aqueduct in March and third in the Lexington at Keeneland 10 days ago. He is lightly raced and lightly regarded. Corey Nakatani, one of the leading jockeys on the West Coast, will ride him.

"We thought he merited the chance," Lukas said. "The weather was a factor. This horse is outstanding on a muddy track. And there have been some defections from the race. This horse is sound, healthy and ready to go.

"It's my contention that horses have an affinity for the track at Churchill Downs or they don't, and this horse has that affinity."

Mighty Ducks to Take On Wings in Playoffs

Reuters

The Anaheim Mighty Ducks will start their second National Hockey League playoff series Friday night in Detroit against the Red Wings.

The Ducks qualified to meet the Wings by winning the seventh game of their first playoff series Tuesday night, 3-0, over the Phoenix Coyotes.

In the other Western Conference semifinal, Colorado plays Edmonton.

Edmonton advanced when Todd Marchant scored on a breakaway with 7:34 left in overtime of its seventh game against the Dallas Stars.

The Oilers, the only Canadian team in the last eight, won, 4-3.

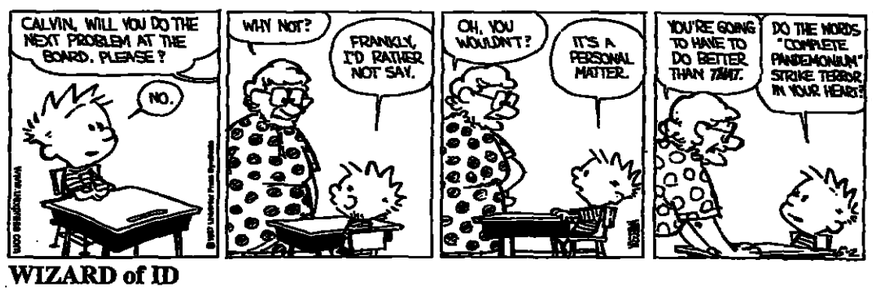
The Buffalo Sabres also won in overtime in game seven Tuesday. They beat the Ottawa Senators, 3-2, and will be host to the Philadelphia Flyers in the first game of a semifinal Saturday.

The New York Rangers will play the New Jersey Devils in the other Eastern Conference semifinal, beginning Friday in New Jersey.

DENNIS THE MENACE

PEANUTS

CALVIN AND HOBBES



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by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

LOFOR

DALIP

YANBOT

HELSIR

Block these shots, get three boards, score three points

WHAT THE PLAYER CONSIDERED THE COACH'S REQUEST.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: A

(Answers tomorrow)

Yesterday's Jumbles: Answer: GOING HAVEN CAVORT WHALER
How the makeup artist described the hairdresser = WEATHER "VAIN"

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OBSERVER

No Diversity in Icons

By Russell Baker

WASHINGTON — Diversity is on all lips. So is closure. So is icon. Just try to get through the day without reading or hearing about someone who is an icon, someone who is looking for closure and someone who is championing diversity.

Any day now I expect to read that some icon of diversity has achieved closure, or that some icon of closure has achieved diversity, or that closure has come to the search for iconic diversity.

Why everybody suddenly started saying closure is a mystery, but that's what happened. One day, right out of the blue, everybody just suddenly started saying closure.

□

Persons whose children, lovers and next of kin died in the crash of TWA Flight 800 and in the Oklahoma City bombing were said by the news reporters to be seeking closure.

You sense the dust of the psychologist's couch in the air here. The death of someone you dearly love is a dreadful, dreadful thing, and not easily endured. Echoing *inside the word* "closure," however, is the sound of a door being slammed and sealed shut against the person whose loss creates your pain.

The mourner is trivialized by the suggestion that the sooner he gets over the death, the better. "Time to pull yourself together, put this behind you, and get on with the job of expanding the gross domestic product."

This is what I hear when the comfort of closure is discussed. And closure is always made to sound comforting. Emotionally devastated survivors need closure, we are told, until it begins to sound like a patent medicine: "The new miracle Closure, folks. Take two at bedtime and wake up with all sadness gone."

□

Diversity is a good-person word. (Not, please notice, a good-guy word.) Good persons seek diversity in order to give every American an equal opportunity. President Clinton boasts of the diversity of his governing circle, meaning that besides dead white males it includes live white females and Americans of African, Hispanic and Asian descent.

Diversity's purpose is to create a government as diverse as the population. Desirable or not, Clinton has failed to pull it off and ought to quit boasting that he has. The problem with Clinton-style diversity is that it lacks diverseness.

Sure, his government gives important jobs to women and persons of varied racial background and ethnic cultures. Just as in the bad old pre-diversity era, however, it remains government by the elite, lacking the experience necessary to do many things government ought to be doing better.

□

As for icon, this lovely word with its odor of incense and hint of Byzantine religious mystery is now reduced to a pretentious way for depraved language butchers to speak of computer cartoons and of entertainers and athletes once dismissed as "heroes" or "stars."

After the language is murdered, will closure be far behind?

New York Times Service

The Writer in Exile as 'Opposition Diplomat'

By Zia Jaffrey
New York Times Service

NEW YORK — I was waiting outside a Cuban restaurant on Amsterdam Avenue when Wole Soyinka, the Nigerian Nobel laureate, stepped up behind me. "You didn't recognize me," he said without expression. "You looked right past me."

"Why are you wearing that wool cap?" I asked. It was a balmy April evening and I had been looking for his signature halo of white hair.

"Another one of those absurd security measures," he said mischievously. Soyinka, the playwright, poet and critic, has been in exile since December 1994, when he fled the regime of Nigeria's dictator, General Sani Abacha. He has also learned that he is the target of a death squad. And in March he was charged with treason.

For more than 30 years, whether in Nigeria or in exile, he has been speaking and writing about the need for African writers to act as the conscience of their countries — or watch helplessly as their corrupt politicians consolidate their power.

Soyinka has recalled that from the instant he saw the first legislators of partly independent Nigeria, in the late 1950s, "I knew the first enemy was within." He has been fighting Africa's homegrown tyrants ever since.

Soyinka in exile resembles a statesman more than a man of letters. "An opposition diplomat" is *how he describes his function.*

At Wellesley College, where he gave the inaugural speech for a conference on Benin, he had told an audience that included many African Americans to beware of "fictioning" Africa, and that the glory of the Ashanti kingdom "is today appropriated by men of khaki and camouflage, guns and brass buckles."

Yes, it is a stirring sight to witness an African leader addressing the United Nations, he said.

"Never mind that he's just left a nation where millions are on the edge of starvation, where medical delivery no longer exists, where the educational system has collapsed and university students have become virtually illiterate.

"Never mind that either before or immediately after sounding off on the United Nations podium, he and his entourage detour to the most exclusive medical clinic in Wiesbaden for a routine medical checkup," he continued, "then stop in London and Paris to pick up new million-dollar knickknacks for their wives, cronies and mistresses. Never mind that he returns home to sign a few death warrants for his alleged enemies, tried in secret with no more evidence against them than confessions wrung from 'witnesses' who have been tortured so brutally that they cannot even be presented in court, so that only their written depositions form the evidence against the condemned men."

Soyinka is a tall man, 63, and speaks in an idiom all his own, mixing the diction of Shakespeare with the language of liberation movements and occasional phrases in French.

His statesmanlike bearing (and schedule) and his political conversation make it hard to remember that his Nobel Prize in 1986 was for literature. He has written, produced and directed dozens of plays. Some have been staged in Europe and America as well as in Nigeria, where his "guerrilla troupes" would perform in theaters, in front of government buildings, in shantytowns and marketplaces.

Nowadays, he is more often found in airports than in theaters. He strains to remember the cities he has visited in the previous week. He has been on Ted Koppel's "Nightline," discussing the plight of Zaire (rather than his own predicament in Nigeria). He has spoken to the heads of an oil company he will not name, has given lectures at Brown and Eastern Illinois University, and he has met with State Department officials.

The charge of treason is just the latest of Soyinka's problems at home, and treason is a word that he has used against the Nigerian military. In his "The Open Sore of a Continent" (Oxford University Press, 1996), he wrote that the regime was guilty of "the most treasonable act of larceny of all time" when it "violently robbed the Nigerian people of their nationhood" in annulling the 1993 election, apparently won by Mashood K.O. Abiola. Nigerians, against all expectations, had crossed ethnic, religious and regional lines with their votes. Abiola, a civilian Yoruba Muslim, has since been jailed.

"The first time the word 'treason' came up," Soyinka said, "was when we launched the opposition radio, Radio Kudirat." That was in 1996 and it was done from outside the country.

"The minister of information accused us — accused me — of treason," he continued, "saying that all those behind the radio are guilty of treason, that the newspapers, the local media, if they quoted anything from the radio, would be equally guilty of treason.

"That radio has been the single most effective counter against the authority of the regime. I mean, they've really been hysterical over the effect of the radio. Until that moment, they had total control of the media, apart from the underground press."

Protecting these radio stations is one of the primary activities of the exiled democracy campaigners, who skirt the borders of their countries, being careful about which jurisdictions they pass through and calculating at which airports their planes might have to land unexpectedly. He calls it the underground railroad.

"In addition to Radio Kudirat, which is shortwave," he said, "we also require FM mobile stations, which can speak directly to sections of the country. And we need a whole network of those. The government tried and tried and never succeeded in catching any of them."

Soyinka slipped out of Nigeria when he learned that he was about to receive the "Burmese Treatment" — house arrest. He will give no details of his family, or even whether he is married. But he slipped back in again to get his remaining children out.

The conversation turned to smaller things. His outdated computer had broken. Until it could be fixed, all the lectures he had prepared were trapped within.

"Nothing so dramatic has beset me in a long time," he said.

What does he miss about Nigeria? "The smell, especially the smell of the bush where I go hunting," he answered.

And where is home? "In my head, that's where home is."

Ed Quinn/The New York Times

Wole Soyinka, on the campus at Wellesley College, has been in exile from Nigeria since 1994.

PEOPLE

Reuters

Princess Cristina of Spain will marry the handball player Inaki Urdangarin.

STANFORD University is a prestigious school with a picturesque setting in sunny California. It's also 3,000 miles from Mom and Dad. What more could a college freshman want? At least, it's what **Chelsea Clinton** wants. The only child of **President Bill Clinton** had her pick of Ivy League and other top schools, including Georgetown, her father's alma mater, three miles from the White House. But the 17-year-old senior, who is thinking of becoming a doctor, decided to head west next fall. The president said he did not try to influence his daughter's choice. **Hillary Rodham Clinton**, who visited the campus with Chelsea last September, was glad the quest was over, and she offered some insight into Chelsea's choice. "I think she wanted to branch out and be her own person," Mrs. Clinton said.

□

Spain's **Princess Cristina**, the youngest daughter of **King Juan Carlos** and **Queen Sofia**, will marry a professional handball player, **Inaki Urdangarin**, in the fall. The 29-year-old athlete will formally ask for Cristina's hand on Saturday, and their wedding will take place later this year in Barcelona, where the two live. Cristina, 31, met Urdangarin at the Olympic Games in Atlanta last year, where he was a member of the team that won a bronze medal. Born in the Basque town of Zumarraga, Urdangarin is the son of a banking family and plays handball for Barcelona. Cristina collaborates on cultural projects with the Caixa savings bank.

□

Congress is bestowing its highest civilian award on **Frank Sinatra** and the 81-year-old performer says he is "quite moved" and "deeply honored." Sinatra, whose entertainment career spans six decades, will receive the Congressional Gold Medal under a bill that won final passage in the House. Congress initially used the award to honor military leaders but began during the 20th century to recognize excellence in a wide range of fields.

□

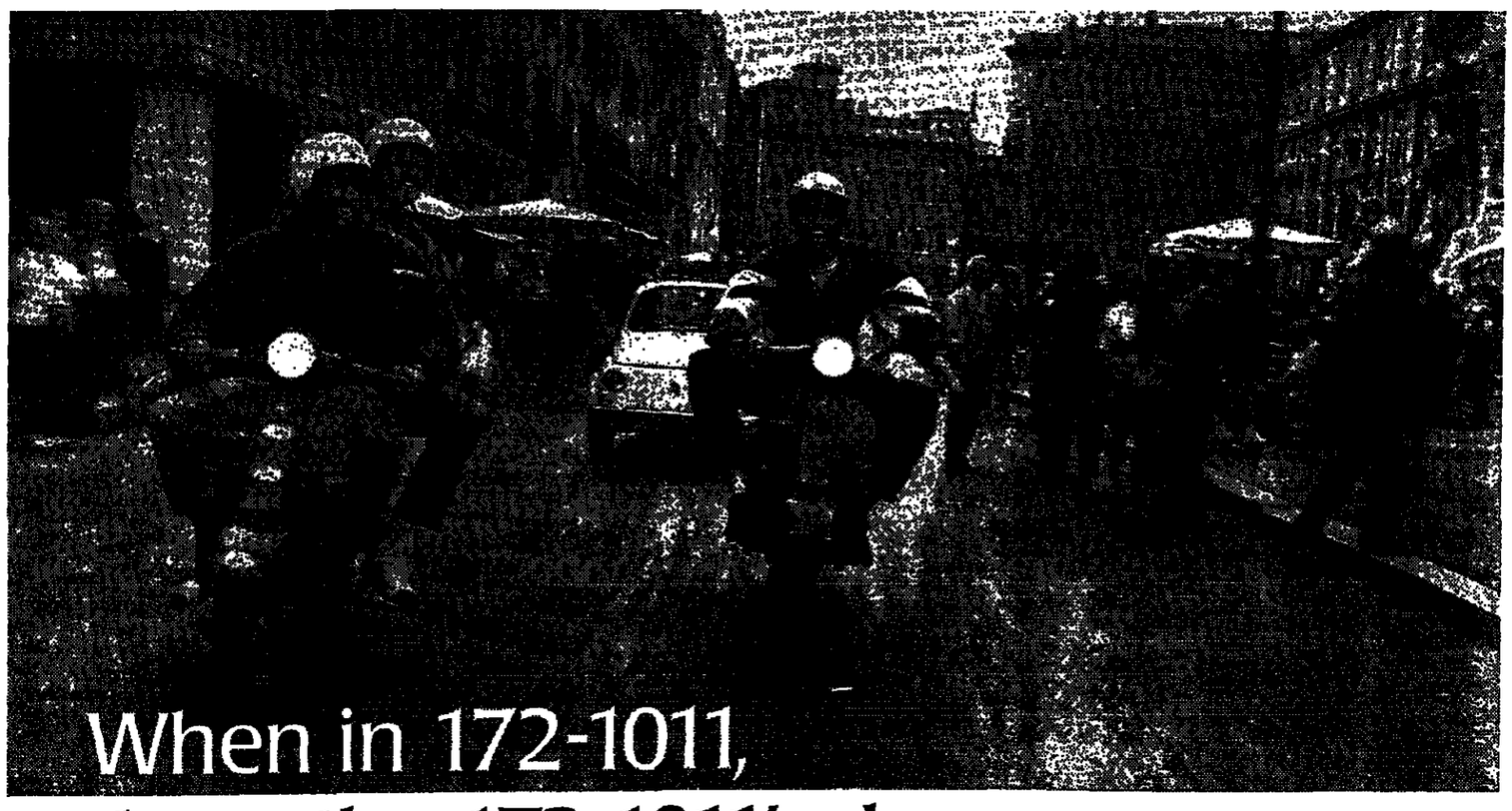
"The English Patient" and "Secrets and Lies" dominated the British Academy of Film and Television Arts awards ceremony. "The English Patient" was voted best film and best adapted screenplay, and **Juliette Binoche** took the best supporting actress prize. "Secrets and Lies" won the Alex Korda Award for best British film of the year and it was also voted best original screenplay. Its star, **Brenda Blethyn**, won the leading actress prize.

□

Every year on college campuses in the United States and Canada, the most brilliant math students struggle for six hours with problems from the merely intractable to the seemingly impossible. Five are chosen annually as winners of the William Lowell Putnam Mathematical Competition, and every year for 56 years, all the winners have been men. This spring, **Ioana Dumitriu**, 20, a New York University sophomore from Romania, became the first woman to win the award. Dumitriu, the daughter of two electrical engineering professors in Romania, was identified as a talent early and at 11 was steered into years of intensive math training camps. It was this training, and a handsome young coach, **Dan Stefanica**, 24, that led her to New York. They fell in love. He chose New York University for its graduate school in mathematics, and at 19 she joined him there.

□

Two Chinese film directors are having trouble with the Beijing regime. China has barred the latest film by **Zhang Yimou**, "Keep Cool," from entering the Cannes film festival. **Zhang Yuan**, who had been invited to show his film "East Palace West Palace" at the festival, has already said he may not be able to attend because the authorities have confiscated his passport.



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